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The New York State Defense Production Plan

By MAURICE F. NEUFELD

Deputy Commissioner, New York State Division of Commerce

THE heart of the colossal defense effort of our time is ever-expanding industrial production. New York State, in the present war of factories, has served as guide and counsel to prime contractors who wish to farm out defense work and to potential subcontractors who have facilities geared to the manufacture of vitally needed parts. In a situation in which the federal government must necessarily control production policies and programs, New York State—pioneering through the newly developed Division of Commerce¹ as adviser to the perplexed businessman and as collector of facts upon which sound industrial advice must be based—has established a pattern of federal and state spheres of activity that will undoubtedly prove of lasting value in meeting the already recognizable problems of post-war readjustment.

When the national emergency was declared last summer, Governor Herbert H. Lehman took immediate action to increase the tempo of the state's industrial output. As a result, New York was the first state in the country to initiate a coordinated program bringing all manufacturers, both large and small, into defense production. From the start, the governor, the State Defense Council, and the Ives Joint Legislative Committee on Industrial and Labor Conditions

realized that no defense effort could be effective without maximum production in the shortest possible time. Accordingly, on June 18, 1940, the governor instructed the State Planning Council to undertake immediately an inventory of the industrial resources of the state from the standpoint of national defense. Fortunately, the council was fully prepared and approached its job with the experience, thought, and data acquired in more than a year of uninterrupted study of New York's economic and industrial development.

Industrial Directory

IN A remarkably short time, the council produced a directory of manufacturing and nonmanufacturing concerns. Conferences with representatives of industry indicated that one of the most pressing needs of business, industry, governmental agencies, and the armed services was a simple listing of the industrial establishments of the state. A necessity under normal circumstances, such a directory was of the utmost importance to the entire community when sweeping adjustments resulting from the emergency defense program were already taking place or were threatening.

Undertaken in July, 1940, this volume of over nine hundred pages was planned, prepared, and published by November, 1940. The directory lists all manufacturing plants in the state employing five or more persons, numbering approximately 28,000, and almost 23,000 establishments in selected non-manufacturing industries which are vital to defense needs, such as transportation, public

¹ The story of the planning of defense production in New York State is complicated by a recent change in the name of the principal agency involved. From 1935 until 1941 the agency was the State Planning Council and, under its supervision, the Division of State Planning. In May, 1941, the council was abolished and the work of the division was taken over by the newly established Division of Commerce, which has as one of its three bureaus a Bureau of Planning.

utilities, warehousing, construction, and similar industries. These constituted a fourth of all nonmanufacturing establishments for which data were available. The list of manufacturing establishments was based on the most recent factory inspection records of the state Department of Labor. The only comprehensive record of nonmanufacturing establishments was that maintained by the Division of Placement and Unemployment Insurance.

All of these establishments are listed according to almost two hundred industrial classifications. The name, address, chief executive, number of employees, and leading products of each firm are shown. All information is also subclassified according to location. In addition the directory lists the 51,000 manufacturing and nonmanufacturing establishments alphabetically. Statistical tables summarizing the number and kind of plants and employees in the important industrial counties of the state, an index of products which serves as a key to the directory, extensive information on vocational education facilities in the state, and a bibliography of other business and industrial directories are among the significant features of this publication.

The enthusiastic response to the publication of the directory gives ample evidence of its value for private business and for public purposes. The information is not readily available elsewhere and has been used widely not only for defense purposes but for normal business uses. Furthermore, it provides basic material for analyzing the industrial pattern of the state and determining where civilian production is most concentrated and where defense production dominates the scene. This analysis, in turn, provides important clues to pressing current problems: Where will shortages of materials and priorities decisions produce the greatest unemployment? What areas are best fitted for shifting from civilian to defense production?

The directory showed, for example, that the New York City metropolitan district

contained more than 78 per cent of the manufacturing plants employing over 56 per cent of the workers in all New York State manufacturing industries, but that the firms in the metropolitan district were predominantly small, nondefense industries. Analysis of the directory figures showed in advance that New York City would not benefit as greatly from the defense program as other production centers, and this forecast has been borne out by events.

Idle Plant Inventory

THE Division of State Planning, during the summer months of 1940, also prepared an inventory of idle plants. With this information on file in a central place for use by manufacturers interested in expanding present operations or starting new plants, it was hoped that existing plant facilities would be employed as fully as possible before new ones were built, thus speeding up the defense program with a minimum of maladjustment.

Following preliminary conferences, a questionnaire form was devised which provided enough detail regarding idle plants to enable prospective users tentatively to select desired manufacturing facilities. The completion of this survey was possible only because of the wholehearted cooperation of public service corporations, chambers of commerce, real estate boards and brokers, railroads, industrial commissions, local officials, and numerous individuals throughout the state.

The information for each plant was transferred to a permanent record card which was filed according to county and classified according to industry. Additional information in the form of brochures, circulars, and other material was filed with the permanent cards.

When this material was tabulated in the office of the division it was used to prepare two reports on the inventory of idle plants; one for upstate New York and one for the New York City area. These reports, bulletin number 43 (November, 1940) and

bulletin number 45 (January, 1941), have been widely distributed.

Since the information concerning idle plants has become available, the division has received numerous inquiries both from within and outside the state requesting further detail about specific plants. These requests have been met, and the inquirers referred to the owner or broker for further negotiations. Copies of the inventory have been supplied to defense officials in Washington, New York City, Buffalo, and to the local procurement offices of the Army and Navy.

Inventory of Metal Working Facilities

IN THE late summer of 1940, it became apparent to the governor and members of the Planning Council that prime contractors would have to increase greatly their rate of production through the subcontracting, or farming out, process if the defense program of the country were to achieve the proportions envisioned by officials in Washington. On August 24, 1940, Governor Lehman declared in a public statement: "It is believed that this plan of procedure, if aggressively followed by the manufacturing interests of our state, will be a material factor in speeding up national preparedness. It is obvious that a considerable amount of time can be saved by the full utilization of all existing facilities rather than through the creation of entirely new and unnecessary ones. Not only will this plan of full utilization of existing facilities be speedier, but it should be less expensive to all concerned. It will also save the creation of all sorts of public services to meet the needs of new large plants. It would employ the present supervisory and training forces where the 'know how' exists and would permit the earlier training of new employees. It should to some degree lessen the demand for new plant equipment and machine tools and save the time for their manufacture and installation." This New York State production plan was suggested a full year before the reorganization in Wash-

ington of the Defense Contract Service and the creation of the Division of Contract Distribution.

Since the first requisite of intelligent industrial programming is an inventory of productive capacity, the Planning Council, in cooperation with the State Defense Council and Associated Industries of New York, Inc., undertook a trial survey covering the Buffalo area. In devising the questionnaire used in this survey, the Division of State Planning had the advice and guidance of Dr. Stacy May, director of the Bureau of Research and Statistics of the Office of Production Management. The analysis of returns from this trial survey and questions involving the adequacy of the questionnaire itself proved very useful in the later work of the division in this field.

In a letter of December 26, 1940, to Mr. William S. Knudsen, Governor Lehman outlined the New York State production plan for subcontracting defense work. In this letter, the governor wrote: "Progress has undoubtedly been made in showing contractors the advantages in using existing available facilities by subcontracting part of their work to other responsible firms. Those primary contractors who have followed this course have had marked results in increasing their output. A great deal, however, still remains to be done. There are still many plants in this and other states not equipped to undertake primary contracts, but nevertheless capable of turning out essential parts whose facilities are not now being used. It is obvious that a great amount of time and money will be saved by using these plants and their equipment rather than by building entirely new facilities. Available labor in scattered sections too can in this way be better utilized. Manufacturers having primary defense contracts I believe must be persuaded that they will not only increase speed, but cut down on costs by subcontracting more of their work. Smaller manufacturers must also be encouraged to do all in their power to obtain from primary contractors subcontracts which

they can perform efficiently in their existing plants." As a result of this letter and a conference with Governor Lehman, Mr. Knudsen requested that New York undertake at once a thorough survey of all metal working equipment in the state.

Using the trial Buffalo questionnaire as a basis, a questionnaire covering metal working facilities was devised in conference with officials of the Sperry Gyroscope Company, Inc. The questionnaire asked first for general information concerning the products manufactured by the company, materials used in the manufacture of products, the closest tolerance to which the company was accustomed to work metal products, and plant facilities. In addition, detailed information on general machine shops and tool rooms was sought covering the number of machines, type of machines, the manufacturer's name, model or capacity, age of machine, condition of machine, and the total number of idle machine hours per twenty-four-hour day. Information was also sought concerning plating equipment, foundry equipment, and pattern shop equipment. Sample forms, illustrating how the information was to be reported, were embodied as part of the questionnaire itself.

The division distributed more than 40,000 questionnaires to local defense councils throughout the state. *The Industrial Directory*, compiled by the Division of State Planning, also proved extremely useful in this inventory. A copy of the directory was supplied to each defense council, and types of plants listed in the directory to which copies of the questionnaire should be sent were suggested. This procedure enabled the local defense councils to identify the plants to which they wished to send questionnaires. Each plant was asked to fill in three copies. One copy was to be retained by the manufacturer filling in the questionnaire, and two were to be returned to the local defense council which was to keep one questionnaire for its own file and return the other for filing in the Division of State Planning.

At the offices of the division, a card was made out for every firm reporting metal working equipment. On this card, the type of equipment found in the particular plant was punched according to a key classification. In this way it is possible, when a request is received for some such item of equipment as a universal grinder, Brown & Sharpe #1, to locate promptly all plants in the state which have such equipment available. The card is also punched for location. It is therefore also possible to locate equipment for any given area of the state.

Returns to date reveal about 500,000 machine hours per day available for defense subcontracting work. Among the more sought-after equipment, for which idle machine hours were revealed, are: horizontal boring mills; vertical boring mills; broaching machines; die sink and die filing machines; drill presses, sensitive and radial; gear cutting machines; grinders (production); lathes, including turret and automatic; milling machines; planers; shapers; and punch presses.

The specific information on metal working equipment, carded, tabulated, and analyzed by the division's engineering experts, has made it possible for the division to refer inquiries from prime contractors wanting subcontracting facilities to scores of small manufacturers throughout the state whose returns indicated that they had metal working facilities capable of doing the type of work required. For example, within a few weeks after twenty shops had been referred to one of the leading manufacturers in the country, work had been placed in six of them.

Defense Production Clinics

TO HASTEN the farming-out program by adding to the volume of day-to-day subcontracting referrals, the division inaugurated a series of New York State defense production clinics, the first to be held in the country. The *Herald-Tribune*, in an editorial, described the clinics as having "the simplicity of genius." A prime con-

tractor who wishes to farm out work sits at a table with another manufacturer who wishes to produce for defense. The prime contractor explains what he wants done, the potential subcontractor tells what he can do. The state acts to help both. Before the clinic is held, the Division of Commerce canvasses the prime contractors who are to be present for a record of their needs. Those small manufacturers who have already filed a facilities questionnaire with the division and who have indicated that they expected to attend the clinic, are preregistered and assigned to those prime contractors whose requirements they are most likely to be able to fill. The completed registration and referral sheet is then handed to the potential subcontractor when he appears at the clinic. Subcontractors who first register on the morning of the clinic either present the division's engineers with a record of their facilities (they have been urged in all public notices of the clinic to bring the list with them), or they are closely questioned about their facilities, and then assigned to certain prime contractors. Each prime contractor is assigned a number for the convenience of the subcontractor and this number is placed conspicuously on the sign above the prime contractor's table. The sign states, in addition to the company's name and the name of the representative at the clinic, the type of work the prime contractor wishes to subcontract. Often models of parts and blueprints are displayed. The procurement branches of the armed services, representatives of O.P.M., and other state and federal agencies are also provided with tables. Their presence in a central place has saved subcontractors a great deal of time and effort.

At the first clinic in Binghamton one prime contractor and a dozen subcontractors sat down together; at Buffalo the number of prime contractors had risen to 12, the number of subcontractors to 103. In Rochester, there were 18 prime contractors and 184 subcontractors; in Syracuse and Albany more than 20 prime contractors and over

200 subcontractors were represented at each clinic. On August 13 and 14, the first series of production clinics reached a climax at the Hotel Astor in New York City where 42 prime contractors, 24 governmental agencies, and 836 potential subcontractors registered. Governor Lehman and William S. Knudsen spoke over a nation-wide radio hookup. At the Hotel St. George in Brooklyn were present 36 prime contractors, 24 governmental agencies, and 600 potential subcontractors.

New York State has pioneered in these clinics. Officials of the Office of Production Management who attended the Astor clinic were so impressed with the simplicity and effectiveness of this device that they have urged its adoption throughout the country. Already similar clinics have been held or are planned in other states. With the help of the division's engineers, Connecticut has held a very successful clinic in Hartford while Rhode Island held a clinic September 11, followed by Massachusetts on September 18. On September 18, Illinois also held a clinic in Chicago, and Ohio took similar action. A national clinic based on the New York State production plan was sponsored by the Office of Production Management in New York City on September 22, 23, and 24. Over 150 prime contractors and 3,000 secondary contractors were present. Before the end of the year, these great meetings of prime contractors and potential subcontractors will have been held in every important industrial state.

To keep defense contract data current, the division maintains a file of defense contracts awarded to manufacturers in New York State. The defense contracts file classifies all contracts by name of manufacturer, type of product, and geographical location of the concerns. Lists of all contracts let in New York State and lists of contracts of \$100,000 or more let to manufacturers in eleven important nearby industrial states are sent periodically to all local defense councils, chambers of commerce, and other interested agencies. This information is, of

course, important to potential subcontractors who wish to get in touch with prime contractors.

Community Problems

IN ADDITION to its direct services to the business community, the Division of Commerce has attempted to keep informed, through the Bureau of Planning, about those areas of the state where the impact of the defense program has given rise to important community problems, the solution of which requires careful study and planning, and with which federal, state, and local agencies are concerned. These problems cover the diverse fields of transportation, housing, public health, education, labor conditions, recreation, and civil protection. A new cantonment, or increased industrial production in an area unprepared for such development, leads to need for readjustment in almost all of these fields. To identify the areas in which these conditions are especially acute, the division (1) has studied the geographic distribution of defense workers, kept a current record of all defense contracts in the state, and prepared a report on this subject for the Joint Legislative Highway Survey Committee; (2) has kept a current file of defense problems arising in local communities and taken a major part in the principal system of coordinating national and local effort on community problems; and (3) through local defense councils and planning and zoning agencies has cooperated with these agencies in their efforts to face these problems intelligently.

Highway Survey. In November, 1940, the division prepared for the Joint Legislative Highway Survey Committee an analysis of those industrial areas of the state likely to be most affected by the impact of defense production, an important factor in the state's highway needs. New York City and the fifteen upstate counties which employed more than three thousand workers in defense industries in 1940 accounted for 87 per cent of all workers employed in defense industries in New York State. These coun-

ties are located principally in the Mohawk and Hudson River valleys and the area along the Barge Canal.

After receiving the division's report, in which the principal defense production areas of the state were identified, the Joint Legislative Highway Survey Committee commented on these findings in its own interim report:

The importance of highways to defense industries not only in the transportation of raw materials and finished products but in meeting the labor supply problem which is now drawing into industrial areas many workers from nearby suburban or rural areas is stressed. At various public hearings representatives of municipalities and industry have pointed out the bottle-necks that are being created and the necessity of highway improvement to facilitate the free movement of both goods and men. . . . In the event Federal funds in sufficient amounts are not made available to eliminate these bottle-necks in cities . . . funds should be provided by the State to build these arterial and by-pass highways and, to some extent at least, the cities should be aided in the cost of maintaining city streets which form connecting links of through routes on the main highway systems.

Health, Welfare, and Housing. Through newspaper clippings, field contacts with local defense councils and other individuals and agencies, and data gathered from the field activities and reports of other state and federal agencies, the Bureau of Planning has been able to keep informed on numerous local and regional problems arising out of the defense program, the solution of which requires careful consideration and planning because of their relation to over-all problems of the state as a whole. In certain communities adjacent to army camps, or in cities where defense production has increased considerably, the need for additional housing, transportation, and recreational facilities has become urgent. With the influx of additional population, more school facilities are also often required. Unless these needs, which require considerable expansion in community services of all kinds, are planned for and met intelligently, the communities of the state will again have to face, unprepared, the consequences of boom expansion: large areas where new subdivisions are

heavily tax delinquent; ramshackle developments which rapidly turn into suburban slums; water, sewerage, and lighting facilities which are no longer needed; overexpanded school facilities; and new streets and roads which will have to be paid for. Since the provision of such facilities often involve the federal, state, and county governments, as well as the municipalities themselves, it is essential that wherever possible these problems be met on the basis of long-term planning.

It is impossible to separate these problems completely and to treat them independently, and at the same time it is impossible to draw sharp lines between the interests of the federal, state, and local governments on any one problem. The necessity for coordination among the various levels of government and among the various functional interests was apparent, and such coordination has been undertaken by the federal regional director of Defense Health and Welfare Services, Mrs. Anna Rosenberg, who is also regional director of the Social Security Board. An advisory council of federal field officials has been meeting with her for some months to clear federal programs, and representatives of New York State departments have more recently been added to the meetings.

It was necessary, however, to supplement the council meetings with a more flexible arrangement for gathering information and planning a program quickly. The regional director therefore appointed a Federal-State Advisory Planning Committee to make studies and recommendations for critical areas, and the committee has depended on the New York State Bureau of Planning to act as its staff and conduct its surveys.

In the preparation of a survey, the federal regional director calls on the members of the advisory council and others for the information they have gathered in the course of their various operations. The Bureau of Planning, armed with this advance information, undertakes the field work. Any federal or state agency may send a representative to work with the Bureau of Planning,

and thus the local government may get a single visit from a group of field workers instead of repetitive visits from representatives of many departments.

The program drafted after this type of survey is sent by the federal regional director to the federal field agencies and to the state defense coordinator, Lieutenant-Governor Charles Poletti, and thus forms a basis for cooperative action. The program is especially valuable in giving a recommendation of priorities to the problems of greatest importance and in outlining action to be taken regardless of the level of government involved.

Let us take an example of the way in which the problems of city planning, of the state highway system, and of national defense are intimately connected. The main highway from Albany to the industrial centers of Utica and Rome, which is also the principal connecting road to Watertown and the Thousand Island region, runs directly along the principal business thoroughfare of Schenectady, and there is no practicable alternative route. The situation has been complicated by the national defense program, since the American Locomotive and General Electric plants have expanded and downtown congestion is aggravated when factory shifts are changed. This highway is a possible route for military convoys, and its congestion is a national military problem. To relieve it by facilitating the flow of traffic is a city planning problem; parking cannot be prohibited along this thoroughfare as no near-by parking space is available. Privately owned utilities are involved, for congestion will be relieved as soon as the Schenectady Railway Company can substitute busses for trolley cars so that the traffic islands can be removed. The Bureau of Planning commented on the interrelationships involved in this situation and recommended that federal funds be made available for the construction of a by-pass route.

The survey and recommendations on Schenectady, for example, proposed the solu-

tion of the general problem by various agencies through such apparently unrelated actions as these: the granting of priority for materials to the concerns manufacturing busses for the local transport company, so that more busses could be put into service and workers could thus be enabled to get to their jobs without delays and the loss of time from defense work; the construction by the local government of a low-rent housing project aided by a state loan; the use of an armory and school buildings, with financial aid from the principal industrial corporations, for indoor recreation for workers on night shifts; and the expansion of the municipal water system and sewage disposal plant, with the approval of the state Health Department and probably with the aid of federal funds.

In this way the Bureau of Planning has helped to unify the approach of various governmental agencies to the problems of areas that can be aided only by a unified program, in which the community conditions under which people work and live—housing and transportation facilities, recreation, and various aspects of health and welfare—are considered the foundation for a sound industrial defense program.

Local Planning and Zoning. The impacts of the national defense program on certain areas of the state have awakened local governmental bodies to the need for an agency to study problems of defense housing, public services, recreation, transportation, health, and general community welfare. As a result, the Bureau of Planning has received many inquiries for assistance and advice in regard to local planning problems and procedures. It has not been in a position to give extensive assistance on local planning and zoning because of the concentration of its efforts on the defense program, but it has done as much as it could in these fields.

In addition to supplying general information on planning powers and programs, basic maps and data have been prepared and furnished to several planning agencies. In

other instances the scope of assistance has consisted in preparing procedural methods for specific projects; enlisting the aid of appropriate agencies in studying special problems; supplying information on sources of data; obtaining illustrative material on various phases of a basic plan as completed by planning commissions in all parts of the United States; reviewing proposed zoning ordinances; and supplying information on town building codes and other methods to protect town areas from the untoward impacts of defense expansion.

Long-Time Industrial Trends

AT THE same time that the division has been engaged in these defense activities, the staff has continued its analysis of fundamental developments in the economic life of the state.

In April, 1941, the division published a report on recent trends in important manufacturing industries in New York. This report represents the completion of the first phase of the division's program of industrial studies since it supplied answers to the first three of the following five questions:

1. What are the most important industries of New York State?
2. In what other states are these industries also of importance?
3. What is happening to these important industries in New York in comparison with other states?
4. What factors explain what has happened to these industries in New York in comparison with other states?
5. What can be done by industry and by government to improve the strategic position of New York State?

To answer questions 1, 2, and 3 by identifying those segments of New York's industrial pattern which require close study because of their importance, the staff of the division had to determine the relative position in New York State of over 250 manufacturing industry groups reported periodically by the *Biennial Census of Manufacturers* and had to compare New York

trends in the 108 most important industry groups with those of other states where these industries were also important. Other sources of statistics covering the most recent years also had to be consulted.

What factors explain what has happened to these industries in New York in comparison with other states? What can be done by industry and by government to improve the strategic position of New York State? These questions still remain to be answered for all of these important industries. A detailed study of an individual industry is required to find the answer, but due to limitations of staff and emphasis on defense activities, the division has been in a position to undertake specific industry studies in only one industry. A report is to be completed shortly on the paper and pulp industry which has been experiencing difficulty in the state and is a very important industry measured in terms of the economy of the northern part of the state.

Origins of the Program

THE down-to-earth activities of the former Division of State Planning and the present Division of Commerce are not the traditional functions of a planning agency. Certainly, planning in New York State has wavered shamefully from the appointed way. The history of its fall and rise is not only a fascinating and picaresque chapter in public administration but provides insight into the unforeseen and human influences which annual reports somehow never mention and even the livelier accounts of programs and accomplishments omit from serious consideration. But the perpetual impact of these influences keeps the wheels of government in action, and for a public agency they can turn either in the direction of effectiveness or failure.

In truth, even the neatest plans of the most earnest planners, like those of lesser men, suffer deep changes on their way from drafting boards in office towers to the long mahogany tables of legislative appropriation committees. In New York, as elsewhere,

state planning began with unlimited hope and juicy, evangelical enthusiasm. What planners—hastily recruited in 1935 to direct the affairs of the new agencies which were sprouting up in all parts of the country—lacked in administrative experience and political acumen, they more than compensated for with phrases and concepts remembered from the traditional exercises of schools of landscape architecture, city planning, and design. These were applied with a heavy hand to the complex technical and administrative problems of state planning. In the process of becoming what they were supposed to be, planners learned new phrases. Consult the reports of planning boards and these slogan-thoughts will not be missing: "the conservation and optimum use of land and water resources," "integration and programming of capital expenditures at all levels of government," "the coordination of governmental fiscal policies." They still persist and have grown fancier with each blow received at the State House. And in inverse proportion to accomplishments, perhaps even more than most governmental agencies, planning boards have taken refuge in that substitute for action, endless research. Consciences have been lightened with the consolation that this elaborate ritual was necessary to produce the plans which somehow never appeared.

Hard to explain in simple and practical terms to busy and result-minded legislators and citizens, state planning in New York and other states dragged through years of fat reports, skeleton staffs, and lean appropriations in splendid high-mindedness. Nor was this the first time that the very scope of a task and the failure to recognize human and practical limitations have laid a paralyzing hand upon the necessary planning process. Margaret Leech has recalled Washington in Civil War days as the sprawling and unfulfilled embodiment of a noble plan. Inexperience, lack of resources, and the breadth of the elaborate vision itself doomed labeled streets, avenues, and monuments to an actuality of muddy country roads

crossing in the wilderness. In the disorder and indolence of the times, the plan behind the confusion was forgotten. Just so, years later, the ambitious, all-encompassing, and perplexing tasks which state planners set themselves to solve, along with the contrasting poverty of means and experience at their disposal, also doomed the idea of planning to misunderstanding, while only the thin bones of failure have stood visible.

In 1939, the Planning Council in New York was forced to accept a drastic cut in an already meager appropriation but was given a year of grace to prove its worth to the people of the state. Face to face with possible extinction, the council—a group of citizens eminent in the fields of landscape architecture, law, taxation, public administration, and transportation economics—looked down from the horizon of long-range planning and saw a bottomless pit. Unnerved, but determined to keep the idea of state planning alive, the council, under the able and realistic leadership of its young chairman, Dr. M. P. Catherwood of Cornell University, turned back and directed its attention to the familiar but neglected landscape of industrial development. The industrial field was admittedly only a small part of the whole scope of state planning but was recognized as perhaps the central problem about which all others are joined in a time of rapid economic and political change. Here was this small segment of planning's wide province, large enough actually to absorb the full attention of a staff ten times the size the council had at its disposal. But here was a problem that could be recognized, handled, and explained. And, in addition, the work opened up the opportunity of applying realistically in an important field much of the division's available information about land use, water resources, other natural resources, population trends, transportation, and educational and recreational facilities. The prospect of making a contribution to the welfare of the people of the state was good.

Consequently, after considerable reor-

ganization of staff and program, the state Planning Council, with the aid of the Rockefeller Foundation, called a conference in Garden City, Long Island, on February 9, 10, and 11, 1940, of nationally known experts to consider the procedures which the council proposed to use in its study of the industrial resources of New York. As a result of criticisms and suggestions received at this conference, a sound method of analysis was adopted. Satisfied that its working techniques were sound, the council began the continuing analysis of basic industrial trends which has already been described and which has proved of such value in preparing the division to meet the heavy defense production assignments of recent months.

But the memory of the old program and the old concepts lingered on like the musty smell in an ancient hallway, and while the 1940-1941 budget was under consideration by the legislative committee, funds for the division were omitted and no loud or important voices were raised in protest. In New York State, restoration of an item deleted from the budget is more than difficult, and only the perseverance of the chairman of the council and a series of happy circumstances saved the division. The happiest circumstance was the existence of the Ives Joint Legislative Committee on Industrial and Labor Conditions. Toward the end of the fiscal year, the committee had turned its attention, which had been primarily directed toward labor relations, to the consideration of the reported migration of industry into and out of New York. The committee had a brilliant record of achievement in a highly controversial field, and its chairman, counsel, and members were hard working, conscientious, and open to new ideas. Mr. Ives, the unusually gifted chairman and majority leader of the assembly, recognized the value of the work already done by the division in the field of industrial development and the appropriation was restored. Because of common interests, a close cooperative effort between the Ives Committee and the Planning

Council resulted, and Mr. Ives introduced into the assembly the bill which created the Division of Commerce. The Division of Commerce began functioning on May 1, 1941.

Though new, Minerva-like the division had sprung full grown and a little worldly wise from the experience, over a five-year period, of the Planning Council and the Division of Planning. The close working relationship with the Ives Committee has continued to the advantage of the committee and the division, for the interchange of information and the discussion of current industrial problems facing the state have resulted in a greater understanding between the executive and legislative branches of the government and a greater appreciation of the work of the planning agency than is usual in state government.

Most planners have come to accept the proposition that their work can be accomplished best if their agency is an arm of the executive, rather than a "fourth power" of government making a separate appeal to the people for support of its independent program. But while admitting that they should serve the executive they insist that they should serve him on their own terms, putting their preconceived idea of the function of a planner above the job that policy requires.

By putting its skills at the disposal of the governor and the legislature in the field in which they have a tremendous current interest, the Bureau of Planning has proved the usefulness of a planning agency and has removed the taint of academic theory from the planning function. While our federal government has been undertaking to direct the main lines of industrial development far more aggressively than ever before, New York State, thanks to the plans laid by the

Division of Commerce and its predecessors, has been in a position to develop new methods and prove their utility in the difficult work of promoting subcontracting. By rendering conspicuous service in a field that the most rugged individualist considers practical, the Bureau of Planning has laid the foundation for a future of broader usefulness. Planning is no longer a governmental frill to be tolerated as long as it stays out of the way of business; the defense program, the competition for men and materials, and the need for community services have all made planning essential to business as well as to other aspects of the organization of modern life.

Planning for industrial development is an activity which state governments seem certain to expand in the future. If that activity is conducted by indiscriminate publicity and tax concessions, it will be no net gain to the nation. If conducted by those who seek to promote a discriminating use of natural resources and who are in a position to further the development of community social services as well as the manufacture of commodities, it will further the general welfare and add to the strength of the nation as a whole.

Because it has been helping to plan both the industrial production and the community welfare aspects of the defense program, the Bureau of Planning has been able to see the program as a whole, and therefore it has been better able to serve both those interested in production and those concerned with the social services. The bureau's accomplishments in this field justify the belief that its interest in industrial development will increase rather than diminish its long-range usefulness in the broadest fields of planning.

The Regional Coordination of Defense Health and Welfare Services

By ALVIN ROSEMAN

Director, Program Operation Branch, Office of Defense Health and Welfare Services

FROM the beginning of the defense program it was apparent that industrial expansion, migration of population to centers of defense activity, and the general dislocation involved in the growth of boom towns near military posts or defense industries would create or accentuate social problems. These problems, both new and old, cover varied fields—among them health, welfare, education, recreation, and the control of prostitution.

The Advisory Commission to the Council of National Defense, established in May, 1940, recognized this fact, but it was not until November that formal action was taken to assign responsibility for national action to meet these situations. The delay in designation of an agency to plan programs and coordinate federal activities in these fields was undoubtedly attributable in part to the fact that the regular federal agencies concerned with health, welfare, and related programs were presumably to continue to be responsible for meeting the defense impact in their various fields. The Consumer's Division of the Advisory Commission had established a small section on health and welfare problems in August, but this unit had been handicapped by lack of administrative relationships with operating federal agencies. In September, 1940, the Council of National Defense established a Health and Medical Committee to bring together the War and Navy Departments, the Public Health Service and the medical profession generally for a concerted approach to health problems of defense. The interests of this

committee were primarily in professional and research problems related directly to the mobilization of our armed forces rather than in emergency programs to meet the immediate needs of localities in which health questions already were matters of major concern.

The establishment of large army camps near small towns unequipped to deal with the impact of thousands of selectees created difficult community problems. The concern of the War and Navy Departments about the lack of sanitary and recreational facilities in such communities accentuated the need for coordinated federal action in this field.

On November 28, 1940, the Council of National Defense, with the approval of the President, designated the Federal Security Administrator as "Coordinator of all health, medical, welfare, nutrition, recreation, and other related fields of activity affecting the national defense," and directed him to formulate and execute programs designed to assure the provision of adequate services during the national defense emergency. He was authorized to coordinate the facilities of existing federal agencies with respect to these fields and to establish and maintain liaison with other public and private agencies. This order provided the basis for the work of the Coordinator's office until September 3, 1941, when the President established the Office of Defense Health and Welfare Services as part of the Office for Emergency Management, changed the title of the Coordinator to that of Director of Defense Health and Welfare Services, and made somewhat more

specific the responsibility and authority of this office.

The selection of the Federal Security Agency was an obvious one. The constituent units of the agency include the Public Health Service, the Social Security Board, the National Youth Administration, the Civilian Conservation Corps, the Office of Education, and the Food and Drug Administration. These represent major federal activities in health, welfare, and education, although there are, of course, other agencies—both old line and emergency—which also administer programs in these or closely related fields.

Participating Federal Agencies

THE terms of the order authorizing the work of the Office of Defense Health and Welfare Services are very broad, and the determination of which federal programs properly come within its scope was not simple. The Federal Security Agency expanded its normal functions to meet two problems for which no other agency carried major responsibility: the need for recreational programs in communities adjacent to military, naval, and defense industrial establishments led to the creation of the Division of Recreation; the problem of commercialized prostitution and protection of young women and girls in these areas required the establishment of the Division of Social Protection. In addition to the regular operating agencies within the Federal Security Agency, a number of federal organizations, such as the Children's Bureau of the Department of Labor and the Work Projects Administration of the Federal Works Agency, are clearly involved in defense health, welfare, and education problems. Other agencies carry on health and welfare activities as part of a general program for special groups, including the Veterans Administration, the Farm Security Administration, and the Surplus Marketing Administration. The nutrition program involves a number of additional agencies, including the Extension Service and the Bureau of Home Economics of the

Department of Agriculture and the Consumer Division of the Office of Price Administration. The National Park Service and the Forest Service have interests in recreation supplementing those represented in the programs of most of the foregoing agencies. The defense housing program directly affects the health and welfare problems of all defense communities; and the Division of Defense Housing Coordination is an essential participant in planning and executing health and welfare programs. The National Resources Planning Board, responsible for assistance to states and localities in general community planning, and the Office of Civilian Defense, interested in the protection of civilians against potential enemy action and in the use of volunteers in defense activities generally, are two agencies whose cooperation is also essential. The major task which faced the Office of Defense Health and Welfare Services was to mobilize the resources of all these agencies so as to focus all available federal assistance upon the most urgent problems and localities.

Program Planning

AT THE first meeting of these agencies, the Federal Security Administrator stated three basic objectives of the Office of Defense Health and Welfare Services:

1. To afford protection to individuals and communities suffering disproportionate economic, social, or health burdens as a result of military or industrial defense activity.
2. To assist civilian agencies and individuals in making an effective contribution to the health, welfare, and morale of men engaged in military service.
3. To promote the health, security, and morale of the civilian population as an essential part of effective defense.

From the first, it has been the policy of the Office to utilize the services of existing federal agencies rather than to establish new machinery for emergency governmental needs. Where the functions of existing federal organizations do not comprehend all the services necessary for defense

purposes, it has urged that existing programs be expanded. The Office of Defense Health and Welfare Services is willing to assist operating agencies in presenting to the Bureau of the Budget or to the Congress requests for additional funds or legislation. Emphasis has been placed upon the principle that except in cases of unusual emergency the existing relationship of the federal agencies with their cooperating state and local agencies, and the existing division of responsibility among the various levels of government, would be recognized and maintained.

These policies require unusually close working relationships among the cooperating federal agencies. The organization of the Office of Defense Health and Welfare Services includes an Interdepartmental Advisory Council, made up of the heads of the various federal agencies participating in the program. This Interdepartmental Council serves as an over-all policy group for the defense health and welfare program and advises the Director on major questions of interagency policy. Technical committees have been established to assist the staff of the Office in planning the program in each major field and to work out relationships as between governmental and private activities. These committees include outstanding professional and technical personnel drawn from federal, state, and local governments and from private agencies. In addition to the Health and Medical Committee previously mentioned, those which have been established to date are the Family Security Committee, the Nutrition Committee, the Committee on Social Protection, and the Committee on Community Organization.

Need for Regional Coordination

THE number and size of programs involved and the established organization of most federal health and welfare services on a grant-in-aid basis indicated that effective coordination of federal activities could not be obtained merely by committee activity or interagency agreements on general policy

reached in Washington. A major need was the establishment of machinery by which the joint efforts of federal agencies could be mobilized at a point close to the localities in which problems were occurring, and joint action taken in accordance with interdepartmental policies. In spite of the differences among agencies with respect to field organization and decentralization of authority, some plan for coordination at a regional level appeared to be the most effective method.

The regional level was selected as the point at which coordination efforts would be focused, primarily because most federal agencies have some type of generalized field service organized on this basis. In the grant-in-aid programs these regional staffs are responsible for supervising the operation of state and local agencies receiving federal funds; in federally administered activities the regional staffs usually are responsible for the direction of the districts or other units of local administration. The state level might have been an alternative choice as the major point of coordination of federal activity. The desirability of following as closely as possible the existing pattern of operation in the cooperating federal agencies, and the necessity of clarifying relationships within the federal circle before injecting state and local complications outweighed the possible advantages of a joint federal-state arrangement during the initial stages of the enterprise.

In establishing the machinery for regional coordination, the Office of Defense Health and Welfare Services followed its announced policy of utilizing existing facilities in preference to creating a new regional organization. The Social Security Board operates the most extensive field organization of any of the constituent units of the Federal Security Agency. For six years it has carried on three major programs, public assistance, employment security, and old-age and survivors insurance, through twelve regional offices. Because of the varied nature of its responsibilities and its interrelationships

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with a number of other agencies, these regional offices had already developed successful working connections with other regional representatives. The geographical boundaries of the Board's regions had been established for its specific programs and were not necessarily the most desirable areas for all defense health and welfare activities. But the availability of this experienced regional organization, with established facilities, was of greater importance than the possible advantages of other regional patterns. On January 24, 1941, the twelve regional directors of the Social Security Board were made responsible for coordinating the field activities of the federal agencies carrying on health, welfare, education, recreation, nutrition, and related defense activities. This relationship remained unchanged when the Office of Defense Health and Welfare Services was established in September, 1941.

Regional Councils

THE regional directors were instructed to establish a regional advisory council composed of the representatives of federal health, welfare, and related programs in each region. The functions of the council were: analysis of defense health and welfare problems in major defense localities; evaluation of available local, state, and federal resources; and, within established federal policy, development and inauguration of joint activities to meet these problems. The federal agencies were assured that the regional director, who also serves as chairman of the regional advisory council, would not attempt to assume any administrative supervision of the staffs of the cooperating agencies, and that the necessary coordination would be effected through voluntary agreement among the regional personnel. The relationship envisaged was one in which the counsel and leadership provided by the regional director would facilitate cooperative work on the part of all the agencies within the existing authority of the agency representatives and within the existing policies of the agencies themselves.

The technique involved in attaining these objectives has varied from region to region in accordance with prior relationships among the regional personnel and the nature and extent of defense activity within the region. One of the first tasks was that of securing mutual understanding as to what each agency was doing or expected to do in relation to defense problems within the region. Although almost every federal representative was carrying on some defense activity, none had over-all information on the impact of the defense program in the various communities. Through pooling their data, it became possible for the members of the regional council to select the problems and the local situations which seemed most urgently to require concerted action by the federal agencies.

The instructions to the regional directors anticipated that the regional advisory council would formulate an action program after it had considered all the available information. This program would include both the specific steps to be taken by the regional representatives of each agency and the matters to be referred to Washington on account of inadequate resources or undetermined federal policy. If the information available to the regional council was not sufficient to permit the development of an action program, the regional director was instructed to see that the council secure the additional necessary data and thereafter take such action as might be agreed upon.

The council was encouraged to utilize state and local agencies as a means of obtaining information and, wherever appropriate, as a source of action. The regional director was specifically made responsible for maintaining liaison between the regional advisory council and state defense councils or other agencies created to coordinate state and local defense activity. In this connection emphasis was placed upon maintaining the normal relationships between the several federal agencies and their corresponding state agencies. The function of the regional council was described as one supplement-

ing and reinforcing the usual channels of federal-state relations; it was not intended as a substitute to be interpolated between a federal agency and its usual state connections.

Representation on Regional Councils

SINCE it is an axiom in federal administration that no two agencies can possibly agree upon the same regional boundaries, representation on the regional councils was a difficult matter for some agencies to arrange. In one instance, a single Social Security Board region included parts of four regions of another agency. A complete representation of this agency in this case would consequently involve the assignment of four representatives to the council. This difficulty was met by designating one representative of the agency concerned to serve as a general representative for his group, with responsibility for maintaining a close relationship with his co-workers in other regions. While such a representative usually cannot be expected to have firsthand knowledge of the situations in states for which he has no administrative responsibility, he is sufficiently familiar with general policy and program to act for his agency on matters of general concern and to draw in the appropriate official from another region when necessary.

A converse problem arose in another large group of agencies which maintained fewer than twelve regions. Under these circumstances, it was frequently necessary for one representative to attend as many as three regional councils with the consequent drain on his time and the possibility of overlapping demands for his participation in several councils. This problem has not as yet been solved satisfactorily, although it has been alleviated by more careful planning of regional council meetings and, in some cases, by the assignment of an assistant regional representative to participate in the work of one regional council while his superior assumes responsibility for another.

Several agencies whose programs are in-

involved in the work of the regional advisory council maintain no regional headquarters. Most of these agencies assign their field officers to definite geographical areas but expect them to return to Washington between field trips. This situation frequently made a representative unavailable for consultation with regional representatives of related programs. The use of the regional defense health and welfare offices as unofficial headquarters for some of these representatives has obviated a part of this difficulty, but the officers who work out of Washington usually participate less extensively in regional council activities than do those headquartered in a region.

A more significant problem arises out of the differences in the authority which various federal agencies place in their regional representatives. In some instances the discretion which the Washington office allows its field agents is so restricted that the member on the regional council has been unable to indicate the position of his agency with respect to specific problems or to agree to action programs developed by the council. In a few instances this difficulty originally was accentuated by some hesitancy on the part of the Washington offices of one or two federal agencies to accept fully the regional council plan. The work of the regional advisory councils during their first six months of operation seems to have eliminated any such uncertainty, and there has been general willingness to place greater discretion on these regional staffs. In a number of instances the regional director has reported a tentative solution agreed to by the council with the request that the Washington office of one or another agency be advised of the fact that its representative was in general agreement but was awaiting further instructions. The Program Operation Branch of the Office of Defense Health and Welfare Services has usually been able to expedite a decision in such situations by bringing the matter to the attention of the appropriate Washington official of the agency concerned. There have been evi-

dences also that regional officers of certain agencies, observing the discretion which other agencies have placed in their representatives, have asked their superiors in Washington for broader authority.

The initial meetings of the various regional advisory councils were largely informational in character. In some instances officials of various health, welfare, and related agencies, who had been working in the same states for long periods of time, met one another for the first time. Of greater importance was the fact that a few of the members had never before had even a general knowledge of what various federal agencies in defense fields closely related to their own were doing or planning to do. The council's review of the activities of each agency met this need in a highly satisfactory manner.

Work of the Regional Councils

THE first meetings of the regional advisory councils underscored the need for continuous pooling of information. This need has been met through the inauguration of a system of defense locality reports, representing a digest of field reports of participating agencies and all other information available through the regional council and co-operating state agencies concerning each major defense community. The primary purpose of these reports is to point up problems appropriate for regional council consideration. But since they represent a summarization of the work of the many agencies, they have become extremely valuable as an integrated evaluation of defense activities in the communities concerned and as a picture of the impact of the defense program upon the community.

One of the problems which the first meeting attacked in most regions was that of minimizing unnecessary visits to defense communities by federal representatives. It had been a major source of complaint on the part of state and local officials generally that every agency in Washington was sending agents to major defense areas to secure information which had already been made

available to some other federal agency. In some of the smaller towns, a large proportion of the time of mayors and other local officials was being taken up with repetitive discussions of local problems with federal officials. While the story is perhaps apocryphal, the mayor of one town of less than one thousand population was reported to have had seventeen different federal visitors in one day.

The task of minimizing duplicating field visits has been approached differently by several regional councils. In one region, the members agreed that, except for emergency matters, none of them would visit any of the major defense localities in the region without checking with the regional defense health and welfare office. The regional director agreed in turn that, as soon as he was informed of a proposed visit, he would ask all of the representatives of allied agencies whether they desired the official making the trip to secure any specific information for them. The data which can be obtained by the representative of one agency with respect to the technical field of another are obviously limited, but in many cases, sufficient information has been secured to make a separate visit unnecessary. If in response to the regional director's query several agencies indicate their desire to visit the locality, the regional office works out arrangements for a joint trip, including joint interviews with key local officials.

A somewhat more elaborate plan for coordinating field visits has been developed in one or two regions through the use of a preliminary survey committee. This committee, made up of the representatives of two or three of the agencies whose functions are broadest, visits the most important defense areas in the region and secures basic information of importance to all programs, in accordance with an outline agreed upon in advance by the regional council. This information, which summarizes the major defense problems in the locality, is then discussed by the regional council as the basis for formulating action programs. Supple-

mentary visits are planned jointly by the agencies concerned.

The plans for action developed by the regional councils are aimed at the solution of immediate issues as revealed by the pooling of all available information. Such a plan, for example, might involve such varied problems as the lack of housing arrangements for construction workers, the pollution of the local water supply, the inadequacy of restaurant facilities, the local red-light district, the shortage of school facilities, and the desirability of further expansion of the local recreation program to meet the needs of men on leave from a near-by cantonment. After the council has agreed upon the steps to be taken with respect to each of these problems, the regional director assigns responsibility for initiating the necessary action to the appropriate regional representative. He is expected to report at the next council meeting upon his progress in attaining the objective established by the council and upon additional problems which may have developed. Actually, the regional director is in frequent communication with most of the council members and is often called upon to assist them in expediting action on the part of federal, state, or local authorities. Since both the problems to be attacked and the assignment of responsibility for initiating action are arrived at through agreement of all concerned, this process has led to fewer interagency problems than might otherwise be expected. The practice of reporting back at the next meeting has certain "self-policing" aspects which have sometimes impelled more rapid action.

Shortly after the initial organization of the regional councils, the Federal Security Agency was made responsible for advising the Federal Works Agency as to the need for schools, health and sanitary facilities, and recreation facilities to be constructed in defense areas under the terms of the so-called "community facilities bill," which was enacted as Title 2 of the Lanham Act. The Office of Education, the Public Health Serv-

ice, and the Division of Recreation—all within the Federal Security Agency—were the units most directly concerned with these facilities. The regional directors were made responsible for working out with the regional representatives of these three establishments the related priorities as among communities and various types of projects, which should be suggested to the Federal Works Agency.

Many of the other agencies represented on the regional council, though not responsible for the technical fields of education, public health, and recreation, had substantial interest in the provision of these facilities as part of the general development of defense communities. The regional advisory councils served as the device by which these agencies furnished information concerning the communities in question and participated in the determination of the facilities and priorities to be recommended in each defense area.

Next Steps

THE regional advisory councils and the work of the regional directors are still in a developmental and experimental stage. Perhaps the most specific accomplishments which the plan of regional coordination has so far effected relate to the pooling and exchange of information by all the participating federal agencies. The defense locality reports which have been developed on the basis of information contributed by all the agencies have served as the basis for a planned and concerted approach to the defense health and welfare problems in each area. The fortnightly news letters which the regional offices have developed as a means of apprising each member of current developments in the defense program within the region have provided federal representatives with more detailed and current information about related programs than they had previously received from their own Washington offices.

In several regions, particularly those which include a smaller number of states, the regional director has asked the state

agencies in appropriate fields to participate informally in the work of the regional advisory council. This arrangement has provided an opportunity for joint federal-state discussion of local defense problems and has stimulated state agencies to take action on these matters. In several instances the regional council discussions, particularly those relating to the anticipated expansion of defense activities, brought home for the first time to state officials both the problems which already existed in communities within their state and the need for preventive action to avoid new and additional ones.

As the extent of the regional council's interest in various fields has expanded, committees have been established for the consideration of major problems. In the field of family security, for example, there has been little factual information as to the impact of defense activities on the welfare of persons below the economic margin. Most of the regional councils have now established a regional committee on family security, including representatives of the Bureau of Public Assistance of the Social Security Board, the Children's Bureau of the Department of Labor, the W.P.A., and the Farm Security Administration. These family security committees have undertaken to secure available factual material concerning the need for general relief and other welfare provisions in defense areas. In cooperation with state welfare agencies they have devoted special consideration to methods for meeting the needs of families who have come to defense communities in search of employment and who are usually not eligible for public aid because of antiquated state settlement requirements. The councils have been encouraged to experiment with various types of committee activity. One region has established a committee on federal-state relationships with responsibility for recommending to the regional council techniques and policies. In other regions are committees on nutrition, consumer protection, migratory labor, education, and health and medical care.

It seems probable that as the work of the regional councils and their subordinate committees continues it will be possible to increase the participation of state and local officials. In the fields of health and welfare the administrative relationships between the federal, state, and local authorities differ so widely from program to program that all three levels must participate in any attempt to secure common understanding and effective coordination of effort. The techniques of achieving full recognition of the mutual interest of the federal government, the state, and the locality in defense health and welfare problems are still in an embryonic stage, but the councils have already stimulated state agencies to work together in meeting the impact of the defense effort.

The success which the regional offices have been able to achieve to date has been due largely to the genuine interest of the representatives of all the federal agencies and their desire for some plan of coordination within the region. The fact that the regional offices have been able to keep representatives currently informed about defense developments in Washington and those which were occurring and likely to occur within the region has provided an added incentive for their participation in the regional council's activities. The regional offices have also provided certain minor assistance such as temporary desk space and occasional stenographic service for representatives who were not headquartered in the regional office city. These incidental functions have been of considerable aid to officials of a number of agencies, who have come to regard the regional office as a facilitating service of genuine value to them.

As the work of the regional councils increases two problems become apparent. First, conflicting demands may be made upon a regional representative by his Washington agency and by the regional advisory council. This is a problem which the regional representatives cannot be expected to solve. Second, too much cooperation might mean too little operation. For the

most part the regional staffs of federal agencies carrying on defense programs have not expanded as rapidly as the increased responsibility requires. Council member officials are being called upon by their Washington offices to carry an overload of work and at the same time to speed up their operations to meet emergency problems. Participation in the regional council not only demands additional time and effort on their part but also, because of the wide variety of matters with which the regional council is concerned, may involve subjects which are not of immediate concern to every one. The regional council activity cannot be permitted to become so large a drain upon the time of a member as to interfere with his primary responsibility for the program of his agency. The experience of the past six months indicates, however, that the regional councils are aware of these two problems and that the Washington offices are sufficiently interested in the coordination program to assure their sound solution.

As might be anticipated, the common interest of the members of the regional council in the problems arising in the region appears to have accentuated a regional point of view as distinct from a purely functional one. Questions of agency jurisdiction seem to be subordinated to the urgent need of meeting the defense situation through joint effort.

The operation of the plan for the regional coordination of defense health, welfare, and related services has demonstrated the feasibility of utilizing existing federal administrative organization to meet defense needs in these fields. The participating agencies have made both their programs and their organizational structure more elastic in order to cope with the new defense problems. Out of the experience to date has come not only an appreciation of the values of coordination of field activities but an increasing realization of the fundamental unity among all programs in the broad fields of social welfare in emergencies and in normal times.

Gubernatorial Leadership in Virginia

By GEORGE W. SPICER

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HE WHO seeks only originality will not be interested in this paper. It attempts to deal with a very old problem in the light of the relatively recent experience of the oldest American state. The problem in its broad and essential nature is that of the proper relationship of the executive and the legislature in democratic government. It is essentially a problem of reconciling efficiency of governmental service with effective responsibility and popular control. Or, in more technical phraseology, it involves the proper balancing and adjustment of politics and administration. The problem is new only in the sense that it faces new difficulties and calls for new applications and adjustments. It has not been solved by the formal, unctuous phrases of written constitutions. It involves the realities of life and tasks to be accomplished; and these realities and these tasks are not static but vital and dynamic. Nowhere is this more clearly demonstrated than in the history of American state governments.

The aspect of the problem considered here is the governor's relationship to legislation and administration. Strong and effective leadership is essential in both legislation and administration. It is vital to the successful functioning and even to the existence of democracy in modern circumstances. The problems of the war and post-war reconstruction will demand an ample supply of able and courageous leadership. It is important that the several states be prepared to play a significant role in this struggle for the preservation of democracy.

Long-standing legislative jealousy of ex-

ecutive leadership, aided by emotional accretions to the phrases, "separation of powers" and "checks and balances," has operated against the development of such leadership. The American people have feared to trust leadership. Yet it must be trusted if democracy is to be effective and survive. The traditional relationship between the legislature and the executive has made it difficult to afford ample power for action and to fix responsibility for action in both the legislative and administrative fields. With our legislatures constituted as they are, it is next to impossible for legislative leadership to be developed within the legislative body. At the same time in the states, as in the national government, we have developed new administrative authorities with an almost complete disregard of the necessity or the desirability of general supervision and coordination. We have acted largely without consideration of plans or principles. Here, too, we have been suspicious and distrustful of strong and effective leadership.

But whence should come leadership in legislation or administration? In which field should the governor take the leadership? Or should he lead in both? The trend has been toward the latter alternative in Virginia, as in the majority of states. Through the vicissitudes of more than a century and a half the chief executive of the Old Dominion has emerged as the leader both of legislation and of administration. At least there is little positive leadership in either field that does not emanate from the governor's office.

This paper is designed to state and to appraise the position of the governor in rela-

tion to both of these major functions. Although they are inseparably entwined and each conditions the other, for the purpose of convenience they will be to some extent treated separately in this discussion.

Legislative Leadership

THE framers of the first state constitution were chiefly concerned with making the legislature supreme. The previous unhappy experience with irresponsible and tyrannical colonial governors appointed by the Crown was too fresh in their memories to permit more than a mere formal declaration of the doctrine of the separation of powers. Although section three of the constitution of 1776 provided that the three "departments shall be separate and distinct, so that neither exercise the powers properly belonging to the other," other sections of this same constitution made the governor completely subservient to the legislature. Indeed he remained virtually in this relationship to the legislature until 1852.

Although the constitution of 1830 increased his term from one to three years and gave him the power to recommend measures to the legislative body and to convene it in extraordinary session, these new powers were merely nominal owing to the governor's complete political responsibility to the legislature and his dependence upon the advice of the Council of State in all matters involving the exercise of discretion. This was, in effect, the situation in all of the original states. In none of them was practice consistent with constitutional theory. As Madison said in the Convention of 1787, "The executives of the states are in general little more than ciphers; the legislature omnipotent."

The constitution of 1850 wrought the first really important change in the political position of the governor by (1) abolishing the Council of State and (2) providing for the election of the governor by the voters for a term of four years. By these changes he was rendered politically independent of the legislature and was enabled to exert a polit-

ical leadership which was destined to have a significant effect not only upon legislation but upon administration as well.

The constitution of 1869 granted the veto power to the governor for the first time and thereby rendered more effective his recommending power. From this time on and to some extent from 1852 the governor's influence over legislation is indicated by certain acts conferring administrative powers upon him.

The constitution of 1902 further augmented the legislative powers of the governor by granting him the power to veto specific items in appropriation bills and the power to recommend amendments to any bills presented to him.

Another significant addition to the legislative, as well as to the administrative, power of the governor came by way of statutory legislation with the enactment of the Budget Act of 1918, authorizing and requiring the governor to prepare and submit to the general assembly a biennial budget. Under the act the governor is further required to submit with his budget a bill carrying in legal form his recommendations.

Through these and other constitutional and statutory grants of power, and through his position in the party organization of the state and as leader and exponent of public opinion for the state as a whole, the governor by the beginning of the third decade of the present century had become able to play the role of leadership in the conduct of the political functions of the state government. He had emerged from this evolutionary process as the representative of the people of the whole state, and as such he was expected by them to assume the leadership in formulating and steering to enactment a constructive program of legislation. For this they had come to hold him responsible, the separation of powers to the contrary notwithstanding.

This popular attitude toward the governor was due in part to the change in his political position enabling him to become the voice of the entire people of the state,

but more largely perhaps to the decline in the prestige of the legislature, which began in the country as a whole before the middle of the last century. The Virginia constitution of 1850 gave expression to a lack of confidence in the legislature, as did the later constitutions of 1869 and 1902. The Virginia legislature was in especially bad repute at the time of the constitutional convention of 1901-1902, with the result that the product of that convention imposed detailed restrictions upon legislative action. It was strongly felt that the legislature had served corporate and local interest to the neglect and detriment of the people of the state as a whole. The convention's committee on the legislative department unanimously proposed that the general assembly be permitted to meet in regular session only once in four years for a period of ninety days, and a biennial sessions amendment, after failing in the committee of the whole, was finally adopted on the floor of the convention by the narrow margin of one vote. When asked about the probable attitude of the people, one advocate of quadrennial sessions remarked, "My humble judgment is that the people do not take any interest in this matter, and that if you did not have a legislature for ten years they would not know anything about it, nor care anything about it."

Such criticism of the legislature was common in the states shortly after the turn of the century; and while it was doubtless exaggerated and perhaps in some measure unjust, it nevertheless reflected a general popular attitude and did much to usher the governor into a position of legislative leadership. Governors with imagination and the inclination to leadership were not unmindful of this attitude and gave voice to it. An ex-governor of Alabama wrote in 1917 that, "... the people look to the governor and not to the individual members of the legislature for leadership, and for the passage of such laws as the economic, political and social condition of the State may demand, and judge his administration by his

success or failure in securing the enactment of necessary laws. There is profound distrust by the people of the United States of their legislatures and serious suspicion as to the source of legislation, and this distrust and suspicion is intensified by the dark-lantern methods which prevail and the secret, invisible government by which these bodies are so often dominated. The people of the United States want their governors to be leaders in legislation, for they alone represent the entire State. . . ."¹

This growth in legislative influence, however, did not go without challenge or criticism. The protests against "executive aggression" were numerous and vigorous in certain writings and public utterances more than thirty years ago. The answer of that day can perhaps best be stated in the words of Governor Woodrow Wilson uttered in an address at Portland, Oregon, in May, 1911. Said he, "The whole country, since it cannot decipher the methods of its legislation, is clamoring for leadership, and a new rôle, which to many persons seems little less than unconstitutional, is thrust upon our executives. The people are impatient of a President who will not formulate policy and insist upon its adoption. They are impatient of a governor who will not exercise energetic leadership, who will not make his appeals directly to public opinion and insist that the dictates of public opinion be carried out in definite legal reforms of his own suggestion."²

The extraordinary growth in the legislative leadership of the governor in the early part of this century was undoubtedly stimulated by the forceful, dynamic, and courageous leadership of such governors as Hiram Johnson, Charles E. Hughes, Robert M. La Follette, and Woodrow Wilson. They were all vigorous and popular leaders and did not hesitate to make their appeal di-

¹ Hon. Emmet O'Neal in 5 *Virginia Law Review* 166 (December, 1917).

² Quoted from address before the Commercial Club of Portland, Oregon, May 18, 1911; by J. M. Mathews, "The New Role of the Governor," 6 *American Political Science Review* 224 (1912).

rectly to the people when their proposals were sidetracked by hostile legislatures. In Virginia, constitutional and statutory changes have perhaps been more favorable to the development of the governor's legislative leadership than in any other state, but extralegal forces have played their part here as elsewhere.

As far as the separation of powers clauses of the present constitution of Virginia go, the governor occupies a relatively unimportant place in the determination of public policy or the making of laws. His task is to *execute* the laws which the legislature makes and not to assume responsibility for their formulation and enactment. But experience has taught framers of constitutions, legislative bodies, and governors alike that such a theory cannot be rigidly applied in the performance of the common and intricate functions of government today. "No government," wrote Woodrow Wilson in 1908, "can be successfully conducted upon so mechanical a theory," and his later experience as governor and president served but to confirm this conviction. The difficulty of applying the theory of separation of powers is recognized in the very constitutions wherein it finds expression. Section 39 of the constitution of Virginia states that, "*Except as hereinafter provided*, the legislative, executive, and judicial departments shall be separate and distinct, so that neither exercise the powers belonging to the other," etc. The italicized words are probably the most important of this provision; for as has been previously indicated, the constitution imposes important legislative duties and confers important legislative powers upon the governors, and these have from time to time been supplemented and implemented by statutory action and certain extralegal developments. Among the *exceptions* stipulated in the constitution are the following: the message and recommending power, the power to convene the general assembly in extra session, the general veto power, the power "to veto any particular item or items of an appropriation bill," the power to rec-

ommend amendments to bills presented to him if he approves of their general purpose but disapproves some part or parts thereof, and the so-called pocket veto.

In considering briefly the nature and effectiveness of the governor's legislative powers, the discussion may be confined to the *recommending power* and the *veto power*. In the broadest sense these cover nearly the whole range of the governor's legislative influence—legal and extralegal. Likewise they are closely interrelated in that the possibility of a veto by the governor tends to increase the effectiveness of his recommendation to the legislature and the effectiveness of the recommending power decreases the necessity for the employment of the veto power.

The Recommending Power

THE power to recommend to the general Assembly at each session thereof such measures as he deems expedient was first granted to the governor in the constitution of 1830, but it could not at that time have been intended to be used as a positive force in securing the enactment of legislation. Since the governor owed his very office to the legislature, he had no means of implementing the recommending power as a positive and constructive force in legislation. It could not have been more than a mere suggestion.

Today it is a much more important factor. Of course the general assembly may still reject all of the governor's recommendations, but it is not in a political position wisely to follow such a course if the proposed program has the support of public opinion. The fact that the governor is elected from the state as a whole and is consequently responsible to the whole electorate rather than to some small segment thereof gives him and him alone, the voice to speak for the whole people. This has given him a prestige and influence which no member, nor even a group of members, of the legislature can hope to match. He is the only spokesman for the state as a whole.

Whatever may have been the original intention of the constitutional provision concerning the recommendation of measures to the legislature, it is now regarded by governors and apparently by legislators alike as imposing a joint responsibility upon the governor and the legislature with respect to legislation. This interpretation found expression, for example, in the general message of Governor James H. Price to the 1940 general assembly thus: "Under the terms of the Constitution, the Chief Executive and the General Assembly have a joint responsibility in the field of legislation."

The constitution of Virginia, like those of other states, does not expressly indicate whether the power to recommend legislation carries with it the further power to formulate the recommended objectives into specific bills ready for introduction, but there would seem to be no objection to such procedure. The governor does not seem to be limited in respect to the form in which he shall make his recommendations. Final action in any event rests with the legislature. Yet some governors have acted as though they had no authority to embody their recommendations in drafted bills, and have contented themselves with vague suggestions in generalities that scarcely glitter. The trend in the states generally, however, seems in recent years to have been toward more specific recommendations, frequently taking the form of drafted bills. Indeed there would seem to be an obligation upon the governor to make his recommendations in clear and concrete form, so that there can be no mistake as to what he is recommending. Recent governors of Virginia have not hesitated to embody their recommendations in the form of drafted bills, and the legislature apparently welcomes, if it does not actually expect, this procedure. Governor Price stated with obvious satisfaction to the 1940 session of the general assembly that, "All the legislation which has been proposed . . . has already been prepared and is in my hands ready for introduction and consideration by the General Assembly."

Effectiveness of Recommending Power

THE most outstanding legislative record of recent governors in Virginia, and perhaps in the entire history of the Commonwealth, is that of former Governor Harry F. Byrd. He combined all of his legislative powers—legal and extralegal—to effective advantage. Of approximately seventy-five recommendations made to two regular sessions and one special session of the legislature in his administration only seven, it appears, failed of enactment into law.

Mr. Byrd's successor, the late John Garland Pollard, also had a high proportion of his legislative recommendations enacted. Of fifty recommendations submitted to two regular sessions of the general assembly only eight failed to secure legislative approval, and one of the latter was approved in a later session. Governor George C. Peery, who succeeded Governor Pollard, was only slightly less successful than his predecessor in securing enactment of his legislative proposals. Of approximately a dozen recommendations for new legislation made in his inaugural address, only one or two failed to receive approval by the legislature. In this case a governor lacking the usual characteristics of a popular leader was nevertheless successful in securing the approval of his first legislative program. It is true that at the next regular session in January, 1936, the governor's recommendations for social legislation were received less favorably. Nearly all social security and labor legislation which came before this session was defeated by a reactionary legislature, but two facts should be noted in this connection: first, that the governor exerted no vigorous or crusading leadership in behalf of such legislation at this time; and, second, that he called an extra session later in the same year which passed with little opposition an unemployment compensation act recommended earlier.

The legislative record of the present governor, James H. Price, marks an exception to the preceding record, especially in his midterm session of the legislature. In the

first session he was far from unsuccessful in legislative leadership, if his unsatisfactory political relations with the legislative majority are taken into consideration. While abortive attempts were made to embarrass him the legislators of the opposing faction were impressed with his personal popularity and political strength, and he suffered no serious reversal in the 1938 session.

In the 1940 session, however, he experienced an almost complete failure partly because of petty partisanship on the part of the majority faction in the legislature and partly (the writer believes) because of certain errors of technique and timing on the governor's own part. Thus a well-prepared and intelligently planned program of administrative reform was unceremoniously rejected by the legislature. It is not as though these recommendations had been fairly and openly discussed and then rejected on their merits as viewed by the legislature; such phrases as "murder behind the scenes" and "assassinated in the dark," employed in the *Richmond News Leader* of April 23, 1940, by a competent newspaper correspondent of long experience in observing legislative action in Richmond at close range, do not indicate careful and unbiased consideration of these recommendations on their merits. The general outlines of the governor's program were indicated in advance of the convening of the general assembly and the press of the state gave it enthusiastic support. Moreover, it was not anticipated that the proposals would encounter any insuperable difficulty in the legislature. The *Richmond Times-Dispatch*, after reviewing the projected programs in an editorial on January 10, 1940, concluded that "the session which convenes today may go down into State history as one of the most notable since 1900."

The charge that factional "politics," or the antagonism of the Democratic organization politicians to the Price regime in general, was responsible for the defeat of the governor's recommendations does not lend itself to documentary proof. Yet one would

be naive to believe that it played no part in the legislative debacle of 1940. The desire to maintain control of state and local political organizations and to see that no credit for constructive improvement should go to a governor not in the good graces of the "organization" seems too frequently to have prevailed against a desire to serve the public interest. Much seemed to depend upon whether a program was initiated and advocated by the "right" people.

These, however, are questions concerning which controversy will doubtless continue to rage with little prospect of definitive settlement. A more interesting and important, if less inflammatory, question is the extent to which elements of technique and timing on the part of leadership contributed to the defeat of the Price program in 1940. On this point comparisons are interesting.

First, Governor Price's failure to formulate and present to the people a program or platform in his primary and general election campaigns was in striking contrast to the procedure of his recent predecessors. In his inaugural address he stated with apparent satisfaction: "I am aware of the fact that it is usual and customary to make some reference in inaugural addresses to campaign pledges and platforms. However, I am probably somewhat differently situated for the reason that I issued no special platform, nor did I make any particular commitments." He was, therefore, not able to say to the general assembly as did, in effect, Governors Byrd, Pollard, and Peery, that his personal platform after his nomination became the platform of the Democratic Party and that upon his election it became the duty of the whole party to cooperate in the redemption of the pledges made therein.

Governor Byrd told the general assembly with reference to his reorganization program: "Nothing less than the essential recommendations as made will enable the fulfillment of these pledges." Governor Pollard interpreted his large majority in the general election as "an indorsement . . . of the declarations of the party's accredited candi-

date," and appealed to the legislature for support on that basis. Governor Peery, in calling attention to his campaign pledges, stated, "I now enter upon the duty of doing my part to redeem the pledges so made by me. The pledges, at first personal in the primary, have, in the general election, become the pledges of our party to the people. This gives me assurance that I will have the full and cordial cooperation of you, the members of the General Assembly, in redeeming these pledges, and in keeping faith with the people of Virginia." Governor Price had denied himself the opportunity of using this kind of political leverage on the general assembly. It is believed that his chances of election would not have been affected in the slightest degree if his final program had been presented in the primary and general election campaigns. In the circumstances it could not be said that the Democratic legislators were under any political obligation to help the governor redeem pledges which he had not made.

Second, it would seem that the governor erred in not presenting his reorganization program to his first legislature rather than the second. A newly elected governor is usually more influential with the legislature than the same governor two years later. Aside from the magic of recent success at the polls, there are two other closely related factors in this connection. In the first place, if the governor's program has popular support and is defeated by the legislature, he can carry his case to the electorate in the primaries and elections of the following year when all members of the general assembly are nominated and elected. The legislators are, of course, not unaware of this possibility. In the second place, if the governor waits until his second regular session of the general assembly to present his major program and his recommendations are defeated, he can make no effective appeal to the people of the state for the reason that he may not under the constitution succeed himself for the following four years. Thus, if Governor Price had presented his major

program to the 1938 session of the general assembly or to a special session called soon thereafter, it seems probable that it would have received more favorable action at the hands of that body. If not, he could have carried his case to the state in the primaries of 1939 with greater chances of success in the 1940 session.

Mr. Price was also handicapped by virtue of the fact that the legislative machinery was under the control of the opposition. The speakership, the floor leadership of the lower house, and the key positions on important committees of both houses were in the hands of the "organization." There was, therefore, no effective floor leadership in the handling of the governor's program as a whole. There was substantially no organization to steer the governor's program against a strong and experienced organization in control of the legislative offices. In such a situation only two courses are open to a governor; namely, either to attempt to build up an organization of his own or to appeal over the heads of the "organization" directly to the people. Governor Price did neither. Indeed, at the 1940 session it was too late to do either.

These observations are offered not in justification of the action of the 1940 general assembly but rather in what may be partial explanation of that action. There were, of course, other factors that entered into the making of this unfortunate legislative record, but none can be cited in justification of such a record. Indeed, a few members of the general assembly itself have attempted a justification, which perhaps suggests the aptness of the *Richmond News Leader's* editorial observation (March 14, 1940) that not in forty years had the legislature of Virginia more clearly exhibited the maxim of Jeremy Bentham that the level of parliamentary action is distinctly below the average intelligence of the members.

At any rate the 1940 session of the general assembly should be classed as distinctly exceptional in the recent annals of legislative-executive relations in Virginia. It, there-

fore, should not be permitted to affect any general conclusions regarding the legislative leadership of the governor.

The constitutional power of the governor to convene the legislature in special session is in Virginia, as elsewhere, a factor of importance in augmenting the effectiveness of his recommending power. Although Virginia is not one of those states (numbering about half of the total) in which legislation at such sessions is limited to the subjects named by the governor in his call, nevertheless public attention is concentrated on a definite program initiated by the governor, and the legislature finds it more difficult to dodge the issues involved. For example, in the administration of Governor Trinkle (1922-1926), of eighteen proposals made to the regular session of 1922 eight failed to pass; whereas in the special session of 1923 only three of thirty-two proposed measures failed of passage. Other special sessions show similar results.

New Machinery for Leadership

BEGINNING in 1926 the political power considered in the foregoing paragraphs was employed by Governor Byrd to effect an increase in the administrative powers of the office, which in turn had the indirect effect of further strengthening the legislative leadership of the governor. Through constitutional and statutory changes enacted under the leadership of Mr. Byrd and collectively known as administrative reorganization, the governor became the administrative head, or general manager, of the state government.

The reorganization of the administrative agencies of the state government, coupled with the executive budget which had been in operation since 1918, greatly strengthened the governor's influence in that large body of legislation relating to the organization and functions of administrative departments and other agencies. Through the executive budget the governor controls the budget estimates and expenditures of administrative agencies and thereby may exert

strong influence on any new legislation desired by them. Consolidation of administrative agencies under the control of the governor has further strengthened his power over administrative legislation. The type of bills formerly prepared and submitted independently of the governor by administrative agencies not under his control now usually clears through the governor or emanates from his office. This change has greatly reduced the practice of departmental and institutional lobbying before the legislature and has brought about a considerable increase in the number of administration bills. Most departmental legislation is now recommended in the governor's message, and he rightly resents any attempt on the part of heads of departments or divisions to by-pass him in their requests for new legislation. It was almost inevitable when the governor became the head of the administration that he would be even better prepared to play the role of legislative chief. Thus the cycle ran: first, the political leadership of the governor developed; second, the political power was used to effect an increase in the administrative power of the office; and, third, this in turn had the indirect effect of further strengthening the legislative leadership of the governor.

Since the reorganization, which will be later considered in connection with administrative leadership, the governor's recommending power has been further implemented by the creation of agencies which aid him in the preparation of his legislative program, and which have tended to promote a more satisfactory and effective working relationship between him and the legislature. The more important of these devices are the Division of Statutory Research and Drafting, the Virginia Advisory Legislative Council, and the Virginia State Planning Board. Only a brief statement can be made with regard to each of these.

In 1930 the old Legislative Reference Bureau, which had existed since 1914, was reconstituted as the Division of Statutory Research and Drafting, given enlarged

powers, and placed directly in the governor's office. The director of this division is appointed by the governor, subject to legislative confirmation, to serve at his pleasure. The division performs bill drafting and legislative research functions for the governor, the executive departments, and the general assembly. The research activities are merged with the research work of legislative interim committees appointed from time to time to study potential legislative problems and with that of the Virginia Advisory Legislative Council. The director serves officially as secretary of the council and actually of nearly all interim commissions. In addition he serves more or less constantly as the governor's legal adviser and does other work as the governor requires.

Although, of course, the director is required to perform important duties for the general assembly, he is perhaps more distinctly an agent of the governor. The legislature in thus establishing the division openly and officially acknowledged the legislative leadership of the governor. Equally significant, moreover, is the fact that the division forms an important connecting link between the executive and the legislature in the field of legislation.

Virginia was the third in a group of eight states from 1933 to 1939 to set up continuing agencies known as legislative councils. Wisconsin had pioneered in 1931 with an "executive council," which fell into disuse after two years. With the abolition of the Michigan Council in 1939 the Virginia agency became the oldest of the actively existing legislative councils except that of Kansas. The councils, in their relation to the governor, generally fall within two types: those in which the governor has a considerable measure of control, of which Virginia is the most extreme representative; and second, those that are completely under legislative control, of which Kansas is the outstanding representative.

The Virginia Council was initiated by the governor and remains completely under his control insofar as composition and ten-

ure of personnel are concerned. It was first created in 1935 by executive order of Governor George C. Peery as an unofficial agency, aided by a grant from the Spelman Fund of New York. The members of this council served at the pleasure of the governor and were empowered to conduct investigations and to make recommendations only upon matters referred to them by him.

In 1936 upon recommendation of Governor Peery the council was given an official, statutory status under the title, "Virginia Advisory Legislative Council." Under the statute the council consists of seven members, at least five of whom must be members of the general assembly, appointed by the governor to serve at his pleasure. As stated above, the director of the Division of Statutory Research and Drafting is designated secretary of the council. The council is required to conduct research into and to make recommendations upon any matter referred to it by the governor or by the legislature. Matters referred by the legislature must be reported both to the governor and the legislature; matters referred by the governor need be reported only to him. Thus the council has no statutory duties but proceeds only on the request of the governor or the general assembly.

The law does not specifically create a research division of the council, but authorizes it to engage such persons or research agencies as it may deem necessary for the purpose of making its investigations. Thus the council is free to call on such agencies as the Bureau of Public Administration of the University of Virginia, the State Planning Board, and other research bodies and individual experts. To date, however, it has conducted all of its studies and prepared all of its reports with the aid of special committees and individual experts appointed for those specific purposes.

In terms of concrete legislative results the Virginia Council has been one of the most successful. For example, of sixteen bills proposed by the council to the 1938 session of the legislature to carry out its recommenda-

tions on such subjects as a social security program for the state, soil erosion and conservation of soil resources, expedition of the work of the Supreme Court of Appeals, compensation and retirement of judges, and codification of the purchase and printing laws of Virginia, approximately three-fourths were enacted into law in substantially the form recommended. These included legislation on all matters referred to the council by the governor. The governor referred nothing to the council in connection with his program for the 1940 session. Of three matters referred by the general assembly, legislation was enacted with respect to one.

Through this agency both the governor and the legislature receive needed assistance in preparing legislation. The governor can secure full information and advice on which to base his legislative proposals, and each house of the legislature has on the council representatives familiar with the problems involved. Through the council the legislature has given another official recognition of the governor's leadership in legislation, but at the same time it has increased its own effectiveness as a legislative body. The council serves the highly desirable purpose of bringing the legislature and the executive closer together, with the latter as leader, for the purpose of preparing a legislative program in advance of each session; and it may well prove to be one of the most fruitful contributions of this generation to legislative planning.

There are those who fear that the members of the council, serving at the pleasure of the governor, may become too influential in the latter's interests. But it should be noted that the legislature can change the method of appointment at any time, and the governor would be extremely unwise, from the standpoint of his own leadership, to abuse his power. Even a politically indiscreet use of the power may prove embarrassing to the governor as recent experience in Virginia seems to have indicated.

A third agency which seems destined for

an increasingly significant role in implementing both the legislative and administrative leadership of the governor, and in promoting a more cooperative relationship between the governor and the legislature, is the Virginia State Planning Board. Unlike the Advisory Legislative Council, it is not concerned with the formulation of a definite legislative program for the next session of the general assembly. It rather conducts and coordinates fundamental research of a long-range character and formulates long-range plans to further the more intelligent and economical use of the resources of the state—material and human—and to furnish the basis of a more meaningful administrative and legislative policy.

The board, first created by the governor in 1933 to serve him in an unofficial capacity, was in 1938 given an official statutory status and an appropriation for its research. In its reconstituted form it consists of twelve members appointed by the governor to hold office at his pleasure. At least eight of the members must be heads of executive departments or divisions, one a representative of the agricultural department of the Virginia Polytechnic Institute, and three citizens not holding any state office. The governor is required to designate a citizen member as chairman.

The statutory duties of the board are: (1) "to collect and correlate information relating to the development of the state and the conservation of its human and other natural resources," using for this purpose so far as possible the research facilities of the several state departments and institutions; and to carry on through its own staff such supplementary research as may be necessary; (2) "to prepare a synopsis of planning work" already accomplished in Virginia; (3) "to advise with state departments, bureaus and institutions with a view to the coordination of all development plans that are related to an ordered and comprehensive development of the state"; (4) to make land utilization studies; (5) "to prepare and make maps for the use of the governor and the General

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Assembly"; (6) and "to make such studies as may be directed by the governor or the General Assembly."

The most ambitious project of the Virginia State Planning Board to date was inaugurated in June, 1940. Supported by a \$90,000 grant from the General Education Board, it has started on an elaborate population study to extend over a period of three and a half years. This study is to be coordinated with a land-use study directed by the Virginia Polytechnic Institute and with the studies of a new Bureau of Industrial Research at the University of Virginia, supported by funds from the same source. These studies are, of course, in addition to the work of the board under its legislative appropriation.

If the spirit of the act creating the board and the plans of the board are carried out, they will undoubtedly lead to important long-range legislative and administrative policies for the state. This board, selected by the governor largely from his own executive subordinates, with complete responsibility to him, would normally strengthen the leadership of the executive in both legislation and administration.

The Veto and Legislative Leadership

THE veto is constitutionally the chief source of the governor's legislative power. It was not conferred upon the governor of Virginia until 1869, it will be recalled; but it has been enlarged by subsequent constitutional revision to become, in the positive sense, one of the most effective among the veto powers of state governors. In this connection it should be noted that the governor may recommend amendments to bills presented to him by the general assembly, if he approves of the general purpose of the bill but disapproves of any part or parts thereof. In this case he returns the bill to the house in which it originated, indicating precisely the changes in language which he desires; and if the two houses, after reconsideration, agree to the governor's recommendations by a majority of those present in each, the bill

is again sent to the governor and he may act upon it as if it were then before him for the first time. Only two other governors, those of Alabama and Massachusetts, have this power, which brings to bear the governor's influence at an early stage and thus frequently makes it unnecessary for him to veto a single bill during the session of the legislature.

During the last sixteen years four governors have returned a total of 150 bills to the general assembly with recommendations for amendment and only two of these recommendations have failed to receive approval. The positive effect of this power may be further indicated by the fact that during this same period the four governors vetoed only twenty bills while the legislature was in session and only two of these vetoes were overridden.

The so-called pocket veto affects bills presented to the governor less than five days before final adjournment of the legislature, and is, of course, absolute in character. Bills presented at this time must have the positive approval of the governor within ten days after final adjournment in order to become law.

The provision of the constitution of 1902 authorizing the governor to return bills to the general assembly with recommendation for amendment was regarded by its framers in the convention of 1901-1902 merely as "a step in the direction of increasing the friendly relations and facilitating conferences between the legislature and executive." It would not affect, they thought, the balance of power between the governor and the general assembly, but would rather obviate friction between the two departments and bring about more harmonious relations between them.

Both the power to recommend amendments to bills and the pocket veto are confined largely to bills with technical defects or bills inconsistent with, or duplicates of, other bills. So closely does the governor ordinarily follow his legislative program and so effective is his influence, thanks to the

foregoing powers and devices, that it is rarely necessary for him to exercise his veto on grounds of constitutionality or of public policy while the legislature is in session. The veto is employed primarily as a method of correcting the deficiencies in legislative organization and procedure.

In addition, the item veto may, of course, be employed by the governor to protect his budgetary estimates. This power, however, has been rarely exercised. In approximately forty years only three governors have attempted it; and in the case of seven provisions of the Appropriation Act of 1940 vetoed by Governor Price, the Supreme Court of Appeals held that none of these provisions was an item of appropriation and the disapproved provisions were, therefore, restored to the Appropriation Act.

This discussion would not be complete without reference to certain obstacles to the governor's legislative power. One of these is the requirement that the outgoing governor shall prepare the budget for the first biennium of a new governor's term. This is offset to some extent by cooperation between the two. But the handicap is rendered more serious by a second obstacle, namely, the constitutional provision making the governor ineligible to succeed himself for the term next succeeding that for which he was elected. Thus no governor can escape this difficulty.

This provision was meant to be a check upon the governor's "playing politics" with an eye on the future, but it is more of a check upon the electorate and operates to impair the responsibility of the governor. The most effective sanction that the voters have upon the governor's conduct in office is the opportunity of defeating him for reelection. There seems to be no good reason why the people should be deprived of this sanction or why the governor should be deprived of the prestige and responsibility that derive from the opportunity for reelection.

A former governor made the pertinent observation to the writer that "the purpose of this constitutional provision is largely

nullified by reason of the fact that the governor may be a candidate for the United States Senate, which places before him the same temptation as if he could be reelected." A strong and popular governor, whom the people would like to reelect if they could, is apt to retain beyond the expiration of his term much power and influence that in a responsible system rightfully belongs to the legally constituted governor. The leader out of office may be as good or even a better leader than the governor, but in a democracy power and responsibility should be joined and not divided.

Administrative Leadership

AS ALREADY pointed out the political power and influence of the governor in 1926 and 1927 were directed by Governor Byrd toward making the governor the administrative chief of the state. By the Reorganization Act of 1927 and the constitutional revision approved by the electorate in June, 1928, the governor became the head of the administration. Prior to that time he had gained relatively little power in the field of administration.

The object of the reorganization was in the broadest sense twofold: One purpose was to make the state administration more efficient and more economical by concentrating power in the hands of the governor, and the other was to make government more responsible to the people by simplifying it so that they might more effectively control it. The phrase "unity of management" perhaps best expresses the major principle by which these purposes were to be achieved. This means, first, that all persons in the administration are under the general direction of the governor; second, that all units in the administrative organization are integrated into a system which leads up to the chief executive. The practical basis of this principle of intergration is that the chief executive cannot be expected to secure completely satisfactory results in service unless all units of the administration are under his direction and control. The governor, as the re-

sponsible leader of the administration and of the people, is in this way afforded effective means of coordinating and controlling those activities for which he is responsible.

As corollaries or supplements to the principle of concentrating administrative leadership and control in the governor, functional departmentalization was to be observed by setting up a small number of departments each comprehending one major function under the direction of a single director appointed by and responsible to the governor; boards were to be eliminated as purely administrative agencies; a governor's cabinet was to be recognized; staff agencies were to be strengthened and coordinated under the governor, and provision made for an independent audit. Through the application of these principles the governor was to be placed in a position effectively to coordinate, supervise, and control the administrative activities of the state. Thus the identification of responsibility for success or failure in each department was to be rendered less difficult.

If these principles are applied in their full integrity, there will be no headless departments, no plural-headed departments, no department heads elected by popular vote or by the legislature, no boards or commissions as administrative agencies; and each department will comprehend, as nearly as possible, some one major function. Now even a casual examination of the administrative structure of the state will make it apparent that there were many departures from, or violations of, the declared principles of the reorganization; and that in many important respects the reorganization was merely piecemeal.

Only the briefest summary of these conditions can be given here. First, it may be observed that only three of the thirteen so-called departments have single heads and that only two of these latter are appointed by the governor. The other, the head of the Department of Law, is a constitutional elective officer over whom the governor has no control. Some departments have no heads as, for example, the Department of Conser-

vation and Development and the Department of Finance; and others, such as the Department of Public Welfare, are plural-headed. The Department of Corporations is "headed" by a commission chosen by the legislature, thus involving a double violation of reorganization principles. The principle of functional integration is violated in that related functions are in some cases scattered among a number of departments; and, conversely, unrelated functions are assigned to the same department, as, for example, police functions of the Department of Finance. In five line departments there are both a board and an executive director, separately appointed by the governor. In each case the board theoretically formulates administrative policy but cannot direct or compel the executive officer. This difficulty, however, has been averted in several cases; the board has informally delegated administrative authority to the executive director, generally known as commissioner.

The number of separate agencies now responsible and reporting to the governor is approximately as great as before reorganization. The difference is that most of these agencies are now at least potentially under the control of the governor. Their number, however, is so large as to stretch his span of control far beyond the point of effectiveness. With so many points of managerial contact, the governor finds it impossible to give adequate attention to all of them.

In spite of the foregoing conditions the administrative organization is probably more nearly integrated than that of the majority of reorganized states, and the governor may properly be called the head of the administration. Usage has obviated some of the above mentioned obstacles to his administrative leadership, and the establishment of fairly adequate staff agencies, especially the fiscal agencies, has offset many others. For example, the Department of Highways, which is in theory "headed" by the state Highway Commission of which the highway commissioner is only the executive officer, is actually operated as a single-

headed department. The commissioner has long been the chief influence on the commission and the latter has informally delegated its administrative authority to him. Most of the governor's contacts with the Highway Department are through the commissioner.

Again the "headship" of the Department of Education is shared by the state Board of Education and the state superintendent of public instruction. However, in actual operation this department is not very different from an integrated department. A *modus vivendi* seems to have been worked out between the superintendent and the board whereby conflict is avoided and the governor is afforded a more effective means of coordination.

Likewise in connection with the Department of Health, although full administrative responsibility is legally vested in a board of seven members appointed by the governor, this body apparently delegates the major part of its administrative authority to the commissioner of health and relies upon his judgment in determining administrative policy. The board meets approximately once a year upon call of the commissioner. A similar situation prevails in the Department of Agriculture.

In addition to the governor's control over administration through the power of appointment and removal, and the power to require reports from, and to make investigation of the heads of departments and institutions, he maintains a continuous control over the financial affairs of the state through the various divisions of the so-called Department of Finance and the Division of the Budget. Through the control devices made available within these agencies an energetic governor can go a long way toward offsetting the handicaps flowing from the complicated structure of the operating agencies.

Whatever defects of organization and procedure may remain in the financial system of Virginia, the most distinctive mark of the system is the leadership of the governor.

From the administrative side, all instruments of financial direction and control are in his hands. Every step in the process of acquiring, using, and accounting for public funds, save the voting of appropriations and the independent legislative audit, is under his supervision and control. When the governor controls both the budget estimates and the use of funds after appropriations are made, his authority is greatly extended.

But this control is in no sense a usurped control. It has been granted to the governor by the legislature and it can be withdrawn by the same authority. In setting up the accounting control system and the other instruments of current expenditure control under the governor's direction, the legislature has recognized that current control of expenditures is essentially an executive function. This means, within prescribed limits, administrative finality in the use of appropriations, once they are made, but it in no sense impairs the ultimate legislative control of the purse, which is properly regarded as essential to the maintenance of representative democracy. In the exercise of these fiscal functions the governor and his subordinates are acting essentially as agents of the general assembly and of the people of the state; and the more ample their granted powers and the better integrated their activities, the more effective is their accountability likely to be.

In the field of personnel management the governor is still without adequate staff assistance, although a partial personnel system has been developed in the Division of the Budget, and individual departments and other agencies have developed their own limited personnel programs. The Virginia Advisory Legislative Council sought to fill the void by a personnel management bill presented to the 1940 session of the general assembly, but the effort was defeated. It seems not unlikely that this or a similar program will be adopted in the reasonably near future. The demand for it is growing and the legislature will not always be unmindful of this fact.

Criticism and Conclusion

THE preceding pages have sketched the development of the governor from a position of impotence in both legislation and administration to one of leadership in both fields. The inevitable question now arises, "Is such leadership desirable?" Just as there was strong criticism of the governor's legislative leadership, so there is strong criticism of his position as general manager of the administration in the reorganized states. For example, Professor T. V. Smith of the University of Chicago, former member of Congress from Illinois, regards the governor as logically and constitutionally subordinate to the legislature and contends that he has usurped a function for the performance of which he is neither authorized nor qualified, and that in attempting this function he is neglecting almost completely the one job which he is authorized to do, namely, administrative leadership. "In reaching for the forbidden fruit beyond his fence, he lets go to waste the rich fruits of his own orchard," he says in *The Promise of American Politics*. To meet this situation Mr. Smith makes two suggestions, supplemented by a third. "The first suggestion is to get the governor off the backs of the legislatures and set him on his own feet. The second is to get the legislature organized to do well their deliberative job, which the governor now usurps poorly." The supplementary suggestion is to make the lieutenant governor an expert in legislative-executive relations.

To these suggestions of Representative Smith the answer of Professor Harvey Walker, of Ohio State University, would seem to be an emphatic "No!" He insists that on the basis of both theory and experience the governor is unfitted for the job of chief administrator. A chief administrator, chosen by the legislative body from nominations by the governor, should therefore conduct the administrative business of the state "along scientifically sound lines" (as he said in an article in the *National Municipal Review* in April, 1930), and the governor should be left free to perform the task for which he is

competent, namely, legislative leadership. It is not improbable that each of these able critics is half right. It may be that the governor is potentially competent for leadership in both fields and that such a combination is desirable.

With regard to the governor's relation to administration in the reorganized states, it appears that either too great results or wrong results are expected of reorganization by adverse critics. This is particularly true of those who oppose reorganization on the ground that it vests so great a power in the governor that he cannot be held responsible. The truth is that if the governor is to be truly responsible to the legislature and to the people for efficient administration, he must have power commensurate with that responsibility. Where there is no power, there can be no real responsibility; and where power is scattered and disintegrated, responsibility will be divided and ineffective. As Woodrow Wilson pointed out more than a half century ago, "There is no danger in power, if only it be not irresponsible. If it be divided, dealt out in shares to many, it is obscured; and if it be obscured, it is made irresponsible. But if it be centered in heads of the service and in heads of branches of the service, it is easily watched and brought to book."¹

The chief objection of some of these critics is that the more powerful executive is not responsible to the legislature. They sometimes assert or intimate that they would not object to increasing the governor's power if he were responsible to the legislature, as in the cabinet system. Actually the situation seems to be that American governmental administration is under greater potential control by the legislature than is the cabinet in England. True it cannot turn the executive out of office for a disagreement over policy (the British Parliament seldom does), but it can defeat the measures of the executive with no fear of dissolution. Among the legislative controls over the administration are (1) the power to determine the ac-

¹ See his "The Study of Administration," *2 Political Science Quarterly* 213-214 (1887).

tivities to be undertaken, (2) the power to provide the organization through which such activities are performed, (3) the provision of funds for their support, (4) the independent legislative audit and review, (5) the sole power to provide taxes and to make appropriations for the operation of the administration, (6) the power to secure adequate information concerning the work of the administration through the requirement of records and accounts, regular reports, etc., (7) special investigations of a more intensive character when deemed necessary, (8) the power of impeachment and removal, and (9) the confirmation of appointments. These devices can be made effective if the legislature has the will to make them so.

No responsible advocate of integrated administrative organization regards it as a cure-all or a self-executing system. Indeed there are many important problems of modern democracy which administrative organization touches only indirectly or not at all. Political jobbery and personal aggrandizement may prevail in reorganized states as they have in unreorganized states, so long as the voting population condones these practices. We know, of course, that an administrative code is no absolute guarantee against a Len Small; but we know also that a loosely organized disintegrated type of administration is no safeguard against the incredible reign of a Huey Long.

No type of administrative structure can render these political monstrosities impossible. But the possibility at least of securing responsible administration is attained by concentrating administrative authority in the governor. All that responsible advocates can claim for the integrated type of administration is that it affords the people a relatively simple government under which greater efficiency and responsibility can be had, if the officials and the people so will it. It is primarily a technique of democracy in a complicated industrial society.

The fact that reorganization has not always and everywhere accomplished the re-

sults claimed for it is no proof that it is based upon unsound principles. Everywhere its declared principles have been to a greater or less degree only partially applied, and the results have not unreasonably fallen short of what was claimed for a complete application of principles—or, if the critics prefer, hypotheses. The simple truth is that there can be no completely reliable appraisal of administrative reorganization until we have a fairly complete and consistent application of reorganization principles.

As to legislative leadership, the significance of the increased influence of the governor lies in the fact that through him the people have discovered a more effective means of controlling the formulation of public policy. The only way that public opinion is likely to find expression for the state as a whole is through the leadership of the governor. He must of necessity formally originate most public policy. The legislatures with their infrequent sessions and their lack of knowledge of the intricate business of government are finding it increasingly difficult to perform the legislative function in the traditional manner.

On this point Clarence A. Dykstra has made the pertinent observation that, "In recent years, Congress and our legislative bodies have become less and less competent to plan and to take the leadership for intelligent and comprehensive programs in the public interest. This is not because these bodies are less intelligent or less devoted than they used to be, but because the problems confronting them are so much more complicated and baffling. . . . Probably the best that any legislative body can do is to debate the general merits of comprehensive programs and then declare for or against them. . . . The presentation [by the executive] of public programs, indicating objectives, policies, and priorities, is the essence not of dictatorship, but of responsible leadership."¹

Despite these facts we still find the Con-

¹ See his "The Quest for Responsibility," 33 *American Political Science Review* 14-15 (1939).

gress and the state legislatures on occasion insisting upon the enjoyment of their prerogative of checks and balances by placing crippling restrictions upon the executives and thus affording the latter an excuse for poor administration. Such action not only leads to inefficiency and irresponsibility, but it is also shortsighted from the standpoint of the legislature's own strength. Experience shows that the legislature gains positive and effective strength not by depriving the executive of power but rather by implementing its own power to hold him accountable. It does not increase its own power by rendering the executive weak.

Thus the attempt to divide the indivisible has prevented the stability and unity of leadership. It is of the utmost importance for the future of popular government in the United States that the legislature and the executive work out some sort of division of labor by which each, in accordance with its peculiar capacity, and under leadership that spans both branches, will work with the other for the promotion of the general welfare. In this *de facto* division experience indicates that the legislature would confine its energies more largely to (1) a clear general formulation of public policy, (2) a more effective and continuous investigation and supervision of administration, and (3) the traditional control of the purse. In any such program the executive should take the

leadership. In such an arrangement the rule should be "help ye one another and so fulfill the law of public service" rather than "hinder ye one another and so preserve the principle of checks and balances at the expense of the public service." Jealousy and suspicion should give way to cooperation as the first order of the day. It is always possible to invoke checks as the 1940 session of the Virginia legislature shows, and as other sessions have shown on a less impressive and less destructive scale. It is important to note, however, that although the legislature can effectively check the governor, although it can stage a successful revolt against his legislative program, it is generally ineffective in constructive legislative achievement except under the leadership of the governor.

The time is past, or should be, when party leaders or public officials can hide behind the delusive veil of checks and balances with resulting dissipation and obscuration of responsibility. We must recognize that political institutions and their functions must be accommodated to a rapidly changing and increasingly complex environment. A unified, continuing leadership is essential to the survival of democracy in such an environment. In the light of our governmental traditions and of the temper of the people the governor seems likely to become increasingly the center of responsibility in both legislation and administration.

The Mexican Railways Under Workers' Administration

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THE position of labor in public enterprises has growing significance for administrators and for the study of administration. Labor's share in management involves more than the eternal question of relations between those who give and those who must take orders—an issue that seems deeper than the forms of ownership, whether public or private. In addition, labor's place in public enterprise merges into the problem of deconcentrating power in the face of the expanding economic role of the state. In these matters Mexico is a fertile field for observation. Its experience has an interest apart from the country's own unique charm, the nearness that peculiarly links it to the United States, and the extent to which its recent social movements are clues to emergent tendencies in Latin America generally.¹

Especially rich is Mexico's experimentation with workers' management joined to various forms of public ownership or credit. The lessons of this experience are not directly transferable, of course, being rooted in the conditions of an unusually complex, not to say baffling, society. The setting of workers' administration in that society, moreover, has been overlaid by ideology. But the ideas themselves have not been rigid; they have reflected the teachings of practice while Mexicans have gone forward with their own essentially eclectic thinking.

¹ The writer is pleased to acknowledge the assistance of the Council for Research in the Social Sciences of Columbia University in studies that have contributed to the background of this article and, specifically, the help of Dr. W. R. Dittmar in handling documents used in the preparation of the article itself.

The outstanding application of workers' administration has been in the government-owned railways. Within the span of three years forms and ideas have run a course which is almost a cycle. Though far from conclusive, the case of the railways and their workers is suggestive enough to deserve narration and comment.

I

THE construction of the Mexican railways was a familiar story of concessions sugared by subsidy. Private exploitation was theoretically qualified in most cases by the distant possibility that the government on due payment might take over properties after ninety years. Development under these circumstances left a heritage of still surviving conditions. On the initiative of various outsiders, individual roads were built without a general transportation plan. Their main purpose was to remove raw materials from the country. Many were long stems with few feeders. There was duplication of lines on the one hand, while on the other some of the best harbors remained unconnected with the interior. Meanwhile, reflecting the dynamics of a still essentially colonial economy, the freight-rate structure assumed characteristics not yet thrown off. Exports were advantaged above imports, and especially did the bulk rates favor minerals in comparison with articles of consumption like grains.

As background for the story of changing forms in the conduct of the Mexican railways, it is well to recall the outstanding events in the recent political history of

Mexico. "The Revolution" brought to an end in 1911 the twenty-seven consecutive years of the presidency of Porfirio Díaz and established ideals to which subsequent leaders periodically have been forced to return. Francisco Madero, the leader and philosopher of the Revolution as a political movement, was assassinated in 1913 and was replaced in the presidency by Victoriano Huerta. A long period of civil war and factional strife followed, with Carranza, Obregón, and Calles assuming power in turn. It was at this stage that the incipient social phases of the Revolution began to mature. Far-reaching affirmations were embodied in the constitution of 1917. Calles, leaving the presidency in 1928, remained the national political boss; he created the National Revolutionary Party and took the title "Supreme Chief of the Revolution." For the next six years his puppets occupied the presidency. The policy of the government became cautious and at points reactionary. The election of Lázaro Cárdenas in 1934, his assertion of independence, the exile of Calles in 1936, and the transformation two years later of the National Revolutionary Party into the Party of the Mexican Revolution (P.R.M.), strengthened the position of the labor unions and put into effect a more radical social program. In 1940 President Cárdenas respected the constitutional provision against reeligibility and was succeeded by an associate, Avila Camacho.

It was in the closing years of the Díaz regime that partial integration of the railroads through a company of mixed ownership was accomplished. In 1903 a policy of nationalization through stock purchase was begun and six years later an entity was formed called the National Railways of Mexico (*Ferrocarriles Nacionales de México S. A.*), covering about two-thirds of the country's mileage. The government held a bare majority of the stock and named twelve of the twenty-one directors. That the amalgamation was attended by overcapitalization is admitted by an outstanding

Mexican historian of transportation whose careful factual compilation contains an apology for the arrangements effected on the eve of the revolution. The capital stock of the National Railways exceeded by 84 per cent the previous capital stock of the elements that were combined. But this circumstance, it is argued, enabled the government to obtain control and the financial results before 1913, when the revolutionary disturbances began to have full effect, indicated that under more stable conditions the scheme of mixed ownership might have fulfilled its purposes and perhaps met its obligations. Yet, granting the soundness of this hypothesis, the results would have been won with high and disparate rates and meager wages. In practice, the modicum of qualified success was short-lived. Between 1909 and 1913 preferred stockholders received dividends that aggregated 13 per cent; no dividends were paid in the following decade.

The extent of the handicap that was added to overcapitalization by many years of revolutionary maneuver may be assumed. Much equipment was destroyed and the rest neglected. The management was governmental; sometimes it was directly and even personally military. The operation of the National Railways as a mixed company was not finally resumed until 1926, pursuant to attempted settlements with foreign creditors first and notably embodied in the de la Huerta-Lamont agreement of June 16, 1922. At this stage the government held 100,000 of the 288,310 shares of first preferred (4 per cent) stock, 302,783 of the 1,247,353 shares of second preferred (5 per cent) stock, and nearly all of the 748,034 shares of common stock. Retrenchments were effected during three relatively poor years after 1929. Gross revenue, which amounted to 73.5 million pesos in 1932, rose to 126 million in 1936, while the tonnage transported almost doubled. But the capital structure was shaky. No interest had been paid on the foreign debt for a decade; counting unpaid interest, it amounted to 989.8 million pesos in gold. Assuming a ratio as low as 2:1, this in-

volved a debt of 1,980 million pesos in the money of the day—nearly twice the value of all the assets of the railway system.

On June 23, 1937, the private elements in the National Railways were expropriated by presidential decree. Nearly all of the country's railway network thus became wholly national. Only two outstanding lines remain under private ownership. One of these, the Mexican Railway, which runs up from Vera Cruz to Mexico City, largely represents British capital; it is strategically situated from the economic standpoint. The other and less advantaged line is the projection of the Southern Pacific from the United States down along the west coast. Altogether, the private lines in Mexico in 1939 comprised about 16 per cent of the railway mileage.

The basis for the expropriation of the other lines was a general law enacted on November 23, 1936. This statute had broadened the "grounds of 'public utility'" in the taking over of private property, subject to an indemnity primarily "based on the amount recorded as its fiscal value in the real estate registry or tax collector's department." The decree by which the private interest in National Railways was "expropriated and conveyed to the government on grounds of 'public utility,'" described the company as "an organization of the capitalistic type, that is, preëminently a profit-making organization, although for reasons known to the public, it has been operating, for some time in the past, in a manner that does not correspond to its capitalistic nature. . . ." The motives for expropriation were further rationalized in the comment ". . . that the very nature of this company has made it impossible to direct its activities primarily to the end of social welfare, and that for the selfsame reason, the federal government, notwithstanding the fact that it is the principal shareholder, has had to consider the company as a private enterprise in order to demand strict compliance with the pertinent legal provisions." The decree also mentioned as a purpose the

integration of the railway system by the construction of much-needed lines which the company had been unable to build during its long existence. It was noted that the only private interests were the foreign creditors. Their rights would not be impaired, however, because, stated the decree, "the federal government shall pay their credits within the limits established by the real value of the property conveyed to the government."

In point of practical effect on private investors, expropriation of the railways—unlike that of oil companies in the next year—was hardly important. But it set the stage for the reconsideration of forms of administration. The decree of expropriation itself expressed the intention to establish unified management by a government agency (*dependencia directa de Ejecutivo Federal*) under the norms of public law, "although it shall have the financial autonomy necessary for the proper performance of its work." Accordingly an autonomous department (*Departamento Autónomo de Ferrocarriles*) was instituted under the headship of a former president of the National Railways. But already discussions were under way with union representatives looking toward a boldly devolutionary form of workers' administration, by which the autonomous department was superseded on May 1, 1938.

Before passing to the details of the new scheme it is necessary to speak of the organization of the railway employees and generally of the stream of tendency in Mexico to which the idea of workers' administration belonged.

II

THE early railroad unions in Mexico imitated the brotherhoods in the United States. They came into existence about the turn of the century while the organization of labor generally was still an impossibility in fact if not in law. A federation of the railway craft groups was arranged in 1920. The refusal of the mixed company to recognize this organization led to a railway strike in the next year which terminated in recogni-

Union influence since that time has varied in strength but has never been lodged. There was an interval, however, during which the central organization broke down in rivalries marked by the strikes of 1926 and 1927. In 1932 steps were taken for the formation of a single railway industrial union (*Sindicato de Trabajadores Ferrocarrileros*) which was duly launched at the beginning of the next year. Its initial membership of 34,802 rose to 68,492 (including employees on private lines) in the middle of 1938. Supported by assessments of 1.2 per cent of the salaries of its members, it was organized in thirty-five (now thirty-six) territorial sections and was served by a personnel of 352. As a union it conducted insurance, educational, and other economic and cultural facilities. Thus it had established schools and day nurseries for the children of railroad workers and it was distributing books to the schools and to library centers maintained by many of its sections. Prior to expropriation, the union had entered into more than a score of collective labor agreements with the principal lines, including the National Railways. These contracts provided for the closed shop, the check-off, stringent respect for seniority, and similar features.

In 1936 the railway union was one of the original main groups gathered in the Federation of Workers of Mexico, or C.T.M. (*Confederación de Trabajadores de México*). This reintegration of the larger part of the country's organized labor was accomplished under the leadership of Vicente Lombardo Toledano, the brilliant intellectual who in 1931 had led a secession from the once transcendent C.R.O.M. (*Confederación Regional de Obreros de México*). After the split, the way to a permanent new federation was bridged by two provisional organizations, including a committee for proletarian defense, which rallied to the support of President Cárdenas in his decisively successful struggle with ex-President Calles in the summer of 1935. The formal organization of the C.T.M. followed in 1936.

Vital to the present discussion as is the paradox of labor's position in Mexico—characterized at once by influence and dependence—a few general statements must suffice. Organized labor won recognition when it showed its value as cadres of the revolution after 1910. Carranza profited by this support, although he later cast it aside. Many fundamental labor rights were expressed in article 123 of the constitution of 1917. This article was explicable at the time more as a nationalistic assertion than as a concession between classes. The vindication of rights rested with the government. Obregón turned again to labor in broadening the basis of power. The C.R.O.M. under Luis Morones burgeoned after 1918 in the atmosphere thus created. Later the shift of governmental policy against labor during the presidency of Calles was reflected in the fact that during the last year of his term, 1928, there were only seven strikes. The rise of the C.T.M. coincided with the popular sympathies that marked the term of office of President Cárdenas. Chosen in 1934 under the conditions of a virtually one-party system, Cárdenas broke with Calles, the party boss, on the particular issue of the latter's outcry against the government's forbearance in the face of the mounting number of strikes. Throughout, labor has been dependent upon the government for its influence, even its existence. It has had power in the sense that a political party which flouted labor had to think seriously whether there were at hand other elements of support to substitute for labor's cohorts. Such has been the basis of the seeming contradiction of labor's strength and weakness. The phenomenon is general but conditions in Mexico have heightened it.

The attitude of organized labor in Mexico toward the forms of socialization has been shaped by the interplay of a number of factors. Labor's professions have been generally socialistic. The existence of a class struggle has been proclaimed; the ideal expressed in the slogan that closes nearly every labor document is "a society without

classes." But the bureaucratic state has been viewed with some suspicion. In the early period of labor organization, philosophical influences were drawn from the anarchistic syndicalism of Catalonia and from contact through returned workers with the I.W.W. in the United States. One evidence of an impulse toward direct action, as distinguished from government ownership, was shown in the appearance of numerous producers' co-operatives. An interesting example was the guild of harbor workers at Tampico who since 1922 had been providing lighterage through a cooperative organization (*Gremio Unido de Alijadores de Tampico*) in which eight hundred workers were shareholders. In 1937 the government extended its collaboration with labor groups through a special workers' bank (*Banco Obrero de Fomento Industrial*, now called *Banco de Fomento Cooperativo*). In a number of instances, moreover, the administration of government properties was devolved upon the employees associated with them. These tendencies were related but variant and hardly resolved. The attitude of labor spokesmen remained tentative and searching. But, generally speaking, at the time of the railway expropriation, the tradition of the Mexican labor movement inclined it to the ideal of what may be loosely called syndicalist types of decentralization.

In the case of railway labor, the union was already entrenched in management at many points. It was the recruiting agency; it controlled advancements through rules of seniority. In 1936, it is true, a rebuff was suffered by the union. When a strike was called to enforce some sixteen demands that had been made, the Federal Board of Conciliation and Arbitration ruled that it was illegal because the workers had not complied with the requirements of the law. They were ordered to return to work within twenty-four hours. President Cárdenas invoked his own pro-labor record to fortify his request for compliance. The men were already out when the order was issued but its terms were obeyed, labor being solaced sub-

sequently by some wage adjustments for the lower groups.

Expropriation in 1937 brought a flurry of alarm lest the railroaders become straight governmental employees. The negotiations entered into with the government to guard against such an outcome merged into the discussions of a scheme of workers' administration for the railway system.

III

THE National Workers' Administration of the Railways of Mexico (*Administración Obrera de los Ferrocarriles Nacionales de México*) was established by the law of April 23, 1938. On April 30 the management of slightly above eight thousand miles of line (of which 6,855 were standard gauge) was turned over to the new organization. This included responsibility for certain minor, formerly private lines, notably the Inter-oceanic, not part of the national system and subject to chronic and troublesome deficits.

In formulating the law for workers' administration, the immediate initiative came from the executive committee of the railway union, then headed by Juan Gutiérrez. The under secretaries of Foreign Affairs and of National Economy participated in the draftsmanship along with a member of the study commission, so-called, attached to the presidency of the Republic. Having been passed upon by the Secretary of Finance, the draft was examined by the executive committee of the union prior to its enactment. But a review of some of the early memoranda submitted in behalf of the union will reveal points at which its recommendations were not carried out.

As early as May 12, 1937, prior to expropriation, an analysis and proposal were laid before the President in a memorandum from an expert committee consisting of Frederico Bach, J. R. Gámes (later chief accountant under the workers' administration), and M. T. de la Peña. Its preamble set forth the inconsistencies of the then existing scheme with its capitalistic cast, which prevented the union (to which the mana-

gerial employees also belonged) from exercising real responsibility while it also indicated distrust and precluded frank collaboration. The physical condition of the roads was deplorable. During the two preceding years, it was charged, 20.5 per cent less had been spent on repairs than in 1929 and 1930. In 1922 there had been 14,175 cars and 1,177 locomotives to haul 5,500,000 tons of freight; in 1936, 8,762,776 tons—an increase of 59.3 per cent—were handled with 14,183 cars and 837 locomotives, many of course being of larger capacity. Inadequate sidings hampered the use of longer trains. The heavier modern locomotives were hardly safe on the old roadbeds and rails. The lack of auxiliary tracks in yards slowed operations and increased the risk of accidents. The shops were in poor condition and the unwillingness to tie up funds in materials resulted in much loss of time. The accounting and personnel departments were said to be especially weak. The rate structure, moreover, was chaotic, beset with favoritism and distorted by conditions (already mentioned) which were the understandable aftermath of a colonial economy.

The corrective of these conditions, declared the memorandum of May 12, 1937, was to transfer the administration of the lines to the union for a five-year trial period. Preparatory to this step, the government should effect all needful settlements with the creditors of the railroads, "assuming responsibility for the schedule of payments worked out with them." During the five-year period, moreover, the union management should not be asked to set aside funds for interest or for debt amortization; everything should be subordinated to the physical rehabilitation of the system. For its part, the union should agree not to exceed a stated percentage of revenue for salaries and wages, though exercising its discretion within that percentage, and to expend stipulated proportions for repairs and the like. The government should be represented by an agent with veto power in certain administrative fields to be agreed upon, in-

cluding especially purchases, the maintenance and alteration of the properties, borrowing, and generally the compliance of the union with its engagements. All of this should be done in the setting of a definite five-year plan pointed toward the development of an integrated transportation network. At the end of five years of trial, if the union had played its part, it should be permanently entrusted with the railway management.

The need for a physical restoration of the railways was thus stressed. But money alone could not solve the complex problem. "Executive ability, enthusiasm, skill and co-operation of all human factors," it was said, "are the elements that contribute to the achievement of good railroad service." If the antithetical factors in the existing situation could be removed by a radical reorganization, the memorandum promised, "the collective body composed of the railroad workers of all categories will then do its labors under the inspiration of a common goal."

The plan as enacted into law, it will be seen, gave at once less and more. On the whole, it relaxed the proposals for supervision during a period of trial but it did not go so far as did former suggestions in subordinating other considerations to the early rehabilitation of the lines. The government insisted that the new administration must carry the detached lines to which reference has been made and the deficits of which were destined to absorb about 4 per cent of the gross income of the combined system.

The law as enacted stated: "The Workers' Administration of the National Railways is established as a public corporation, separate from the federal government . . . with full powers for administration and operation of the railway lines under its jurisdiction." The administration was governed by a board of seven members "which shall be appointed by the union of railroad workers . . . through its general executive and vigilance committees." Under the law, board

members were to serve for two years, being eligible for reelection, but might "be removed by the general executive and supervisory committees of the union at any time for reasons deemed serious by the committees." The procedure for election and dismissal was to be fixed in the bylaws of the board. As adopted on May 1, 1938, the original bylaws stipulated that the election of board members should be on the twentieth of April in even-numbered years. Each member, declared the bylaws, must be an active member of the union, have a record of eighteen years of railway service, and have demonstrated his competence in one of the branches of this service. The grounds of removal as set forth included allowing the properties to suffer damage, acts reflecting on the good name of the railroad administration, ceasing to be a member of the union, and unjustified absence from three meetings. The quorum was five.

During the first year, the general secretary of the union and a person from its supervisory committee were chosen as members of the board. It was realized, however, that these men might be asked to vote for things in conflict with the interests of the workers whom union officers were supposed to defend. Significantly, they resigned from the board and the practice was discontinued. In theory, at least, the board members were selected as railroad men who incidentally belonged to the union but who were not delegates of the union as a whole or of any section thereof. Practice stressed the desirability of having all important branches of the service represented by outstanding members of the personnel. Thus the board included representatives of way and structures, transportation, traction equipment and machinery, traffic, electricity and telegraphs, and auditing.

Under the law, the board was to "elect a president who shall also act as general manager." The bylaws limited this by stating that the board "will designate one of their number president, to hold the post of general manager." In practice the original

manager, S. J. Romero, was said to be the choice of all of the district organizations. He had entered the railway service in 1911 as a telegrapher, was later a stenographer and chief clerk in the mechanical department, and had been made assistant chief of personnel in 1933 and assistant to the general manager three years later, having meanwhile helped to organize the clerks' union, of which he was president from 1926 to 1930. On the method of removal of the general manager the law was silent. The union adopted the view that the removal power was in its hands; and by this method Romero's resignation was forced early in 1940, along with the other members of the board. A year later the union was asking that Romero be dropped from the railway service altogether because of a particularly disadvantageous and allegedly suspect supply contract signed while he was manager.

As to the relations of the board to the general manager, the statute contemplated a broad devolution. The manager was to be "directly in charge of the organization, administration, functioning, improvement and more generally of everything connected with the management and operation of the railways. . . ." He was to carry out the decisions of the board, and must obtain authority from it for the construction of new lines, the negotiation of loans, the expense budget and yearly plans of work to be done, the granting of contracts, and general regulations. In addition, the bylaws stated that the board itself should appoint and remove the higher personnel (*empleados de confianza*). The board must meet regularly once each week and might meet oftener if called by the president-manager or at the instance of two of its members.

In dealing with matters of personnel generally, the previously existing collective agreements were continued in force. Those seeking work with the railways must be at least sixteen years of age and Mexican citizens, must pass a physical examination, and must be sponsored by the union, which was the sole recruiting agency. Promotions and

transfers were regulated strictly by seniority. The collective agreement set down the conditions of discipline.

The workers' administration was limited by law in a number of respects. The assent of the government was required for the construction or acquisition of lines, for the alienation or mortgaging of property, and for contracting loans. In addition, the railway administration was subject to a series of requirements set down as percentages. The law stated: "The Administration will have to manage the system in such a way that the cost of operating the railroads shall not exceed 85 per cent of the gross receipts." At least 5.36 per cent of the gross receipts must be used for additions and improvements. The government was entitled to a proportional contribution, amounting to 5.64 of the gross annual income when the latter was 125 million pesos or over, and 3.64 when it was less than that sum. Any surplus was to be distributed in four equal parts: to augment the investment in improvements; to increase the contribution to the government, which, however, was not to exceed 8.96 per cent of the gross income; to provide a reserve; and to go to the employees' benefit funds. The principle of financial autonomy was disregarded in the requirement that postal matter must be carried free of charge (except that fifth class, or parcel post, matter was paid for at half the rates tendered by the public to the post office); and government shipments paid only 50 per cent of the normal charges. The grievance of the railway union on these scores was especially bitter. Statements officially made in 1940 complained that even corpses, dismantled automobiles, and pianos were offered as postal matter, and that private shipments were sometimes offered as government business. Apart from other burdens, all passenger and freight charges were subject to a tax of 10 per cent. The disposition of the proceeds of this tax became a matter of especial controversy. In general, railway properties were taxed as if private. The railway system was free to devise its own ac-

counting methods. In practice it continued the scheme already in use, patterned largely on methods prescribed by the Interstate Commerce Commission in the United States.

Of the percentages fixed in the act it must be said that they were not far from the recommendations of the committee of experts that acted in behalf of the union. A committee memorandum on August 10, 1937 (approved by the union soon after), took as a starting point figures for 1936, which showed a gross income of 125.9 million pesos and operating expenditures of 104.5 million pesos, yielding an operating coefficient of 83.14. It was estimated that in the normal cycle of the existing economy, railway revenues would swing between a low of 100 million pesos and a high of 140 million pesos. An operating coefficient of 83 per cent would be possible if care was taken to provide a "reserve fund from the balances of good years to cover deficits in the funds available for wages in bad years." The committee thought that assignment of 8 per cent of revenues for additions and improvements would be "conservative." If the government, as its share, sought to extract more than six million pesos in an average year, freight rates must be increased to bring at least five million pesos additional revenue.

As to the enforcement of the conditions of the law, certain machinery was provided, although it was not clear what would be done if the stipulated operating coefficient was not achieved and if the government cared to insist upon the engagements of the act. Under the act, two special comptrollers were appointed by the Secretary of Finance with full access to the documents of the railway administration. Within the Ministry of Communications and Public Works, moreover, three separate so-called departments continued to exercise control in railway matters. One was engaged in the construction of certain new lines (presumably to be turned over to the railroad administration on completion); another unit supervised

safety for all railroads, private as well as public; a third agency was concerned with the regulation of rates for all lines and for commercial motor traffic. In fixing rates the minister acted with the advice of an inter-departmental technical committee (which met as often as once a week) to which representatives of industry belonged with voice but without vote. Under a revision of the general communications law enacted on February 19, 1940, representatives of management and of workers from each railroad system were added. Constant detailed rate adjustments have been made in recent years, but the request of the workers' administration for a general increase (actively bruited in 1938 but not carried through) was consistently denied.

IV

THE workers' administration was terminated by a law of December 24, 1940. The circumstances that preceded this step claim attention before the terms of the new law and its administration are examined.

The period of workers' administration was attended by the largest gross revenues in the history of the railway system. This was caused partly by a general increase of traffic but especially by a shift to higher class freight. In the first nine months of 1940, for example, revenues from all sources amounted to nearly 30 per cent more than they had been in the corresponding period of 1938. But net earnings were falling; for the first three-quarters of 1940 they were 13 per cent below the corresponding figure in the preceding year.

It may be asked whether the system was carrying an excess of personnel. Critics have traced the biggest increase to 1921, when a federated union was recognized. Within the year that ended in June, the employees increased by 15,911, or 48 per cent, while the wage bill increased 86 per cent. Subsequently there was considerable curtailment. The personnel totaled 49,328 in 1922 but 31,556 in 1933. It had risen to only 40,517

in 1936 when the tonnage carried exceeded that of 1922 by about half. In 1936 the total pay roll was about equal to that of 1922, the average annual wage of railway employees having risen from 1,378 to 1,686 pesos. In 1939 the annual average was said to have risen to slightly over 2,000 pesos. Against the view that the railway employees were the best paid workers in Mexico, the reputable expert committee that spoke for the union in 1937 contended that large categories within the railway service were inadequately compensated. The number of employees had become almost stable. As against the average number of 44,295 in 1937, there were 44,211 during the first half of 1940—up less than a thousand from a low point in the preceding year.

A contributing factor in the decline of earnings, no doubt, was the increase late in 1939 in the wages of low-paid shopmen and other groups, amounting to two million pesos yearly. Previously an effort had been made at savings at higher levels. Almost at the outset of workers' administration the salaries of certain officials were cut; that of the general manager, it was said, was reduced to a third of what it had been. Economies were effected in the accounting and finance departments. Meanwhile posters reminded the railway workers that the eyes of the country were on them in discharging their unique responsibility. In 1938 the workers' administration devoted to additions and betterments nearly twice what was required by the percentage fixed in the act. But the basis for a physical restoration of the system was hardly at hand. The railroad problem, though partly one of management and morale, was deeper than either and more than a question of economy in maintenance and operations.

Intervention by the government was invited by a number of accidents. In 1939, wrecks in January, March, and April contributed to the reorganization of the directing board. It was intended that the exclusion of union officers from the board would

give it freer rein in management and discipline. Early in 1940 two more accidents brought another crisis in opinion. The attendant publicity was especially embarrassing in a campaign year. Below the symbolism of the accidents—for their importance was essentially that—was a deepening financial predicament. The President of the Republic applied pressure. In March, 1940, the railway board resigned. A new board was chosen by the committees of the union and confirmed at a general union convention in April. Juan Gutiérrez (who for two years had been administering one of the departments of the C.T.M.) became president-manager. In the opinion of some, his selection was prompted by the belief that his radical outlook hardened him for the practice of discipline. He warned that retrenchments must be effected or the government would take back the railways. In the summer the government demanded the payment of the percentage of the revenues to which it was entitled. The railways were thrown into a critical position as to their immediate foreign indebtedness; this exigency increased the government's leverage. The railway board had already formulated a plan that promised to save money by restoring earlier rates of pay. When the union declined to accept this plan, the board resigned. A special union convention was convened. The board was reorganized and the union, with the approval of the convention, submitted a plan that included the promise of greater leeway for the managing board, various economies but without salary cuts, and a revision of the percentage of outlays for betterments in the 1938 law. The government found this plan insufficient. Its own counterproposals contemplated the restoration of salaries to the 1938 levels but it was willing to release for purposes of betterment its statutory percentage of participation in the revenues; it also suggested a number of technical advisory committees. Late in the year temporary economies were introduced with the consent of the union.

In December, 1940, after the inauguration of President Camacho, events moved swiftly toward a change in the law. The new Secretary of Communications (de la Garza, an engineer by training) flatly recommended to the President that the railroads should be taken back by the government because of "the great administrative incapacity shown by the workers." The union representatives resented this verdict; they seemed optimistic regarding the retention of the basic feature of workers' responsibility. After seeing the President and Secretary of Finance, the union leaders indicated their belief that the government was willing to make the operating coefficient flexible, to continue the policy of allowing the government's share to be used within the railway system, and to assign a larger percentage for additions and betterments. But the new law that was in course of formulation went further. The presidential draft, after submission to the union representatives, was reported upon in revised form by a joint committee of the Congress.

The joint committee report dealt with workers' administration in what may be called a tone of friendly regret. The blame lay elsewhere, it stated, and in general belonged to circumstances. The unfortunate heritage of the Mexican railways was reviewed. The reasons for the present difficulties, it was said, included: the depreciation of the peso in terms of the dollar, which swelled the outlay for car rentals and the like; the unreformed condition of the rate structure; the lack of coordination between rail and road; the unfair arrangements for the transport of mail and government supplies; the burden of carrying losing lines like the Interoceanic; the lower motive value of fuel since oil expropriation; the poor state of the railroad equipment, which increased the likelihood of accidents; and decisions by the Federal Conciliation and Arbitration Boards, which had sometimes supported unwarranted monetary claims advanced by individual employees or their

relatives. It was significantly remarked that no other comparable industry lacked adequate technical training. Especially was the government criticized for using for non-railroad purposes the yield of the tax on freight and passenger charges. In the circumstances, stated the report, only three million pesos had been available for improvements from railway revenues.

The joint committee report endorsed the President's plan for a joint managerial board in which labor would be represented. "The Executive," ran the committee's report, "affirms that the railway union shall maintain its independence vis-à-vis the undertaking and that the railroaders shall not be considered mere employees of the undertaking but shall have a say in the administrative council so that the service may be improved by adding their experience, observations, and ideals to the opinions of the government's council members."

On December 24, 1940, by unanimous vote in the Congress, "The Administration of the National Railways of Mexico" was "created as a self-governing corporation." At most points the new statute followed the superseded law. Outstanding structurally was the provision that on the administrative board of seven, four should be appointed by the government and three by the railway union through its general executive and supervisory committees. Each group of members was removable at will by the appointing authority. Outstanding also was the stipulation that the general manager should be named by the President of the Republic. Of the personnel generally, it was said that "the board shall name the other necessary officials and employees according to the terms established by the collective labor contract." The respective powers of the general manager and board were hardly changed from the former law.

On the financial side, the requirement that the railway administration must "operate the system so that the operating coefficient will not exceed 85 per cent of the gross

income" was retained but was softened by the provision that "in case of urgent need" the Federal Executive might permit an increase of the percentage. Otherwise the government's supervisory prerogatives were the same, including the naming by the Department of Finance of two comptrollers who, with full access to all documents, "will be in charge of the supervision of the Administration of the National Railways of Mexico." But the new law was silent about any return to the central treasury and also about percentages or amounts to go to betterments or reserves.

On January 6, 1941, the railways were turned over to their new administration, headed by Enrique Estrada, a general and a senator. The secretary of the union spoke of the change without regret. His associates had accepted workers' administration, he said, first, as an important experiment and, second, in order to cooperate with President Cárdenas. The new general manager declared that the Mexican revolution had reached a third stage that stressed the fulfillment of duties necessary for national reconstruction. It was his own duty to court unpopularity. "Railroading," he said, "requires a discipline all its own, as strict as military discipline but adjusted to the service."

On the heels of these manifestations, a controversy over the necessity for wage cuts was soon in progress. In late March, 1941, the general manager was quoted as saying that the lines were losing 100,000 pesos every day. At the same time, the union, through its general secretary and the head of its supervisory committee, submitted a defensive and constructive memorandum to the President of the Republic. Wage cuts were not the answer; and if the workers seemed willing to submit to them in 1940, they now saw their futility. It was specious to apply under Mexican conditions the ratio of expense for labor existing on the railways of the United States. In Mexico the employees were handling treble the traffic of

1913 with fewer usable cars. The investment of 200 million pesos in the system was imperative. The government had not played fair in its use of the proceeds of the tax on freight and passenger charges. The tariffs must be increased, the parallel construction of highways discouraged, and the narrow-gauge lines purchased and broadened as steps toward a coordinated treatment of transport. "The solution is surely not to be found in wage reduction," said the union spokesmen. "We shall be against predatory measures to the end."

Perhaps the most significant step in this whole story was that taken on March 30, 1941, when in a letter from its secretary-general, the union stated that it was withdrawing its three representatives from the railway board. As a minority, they could not block measures possibly hostile to the interests of the workers. "The union," it was said, "will now be free to devote its entire time to the needs of its members, who were occasionally overlooked in the past when union heads were also railway business men."¹ The cycle had been run.

V

THE test of workers' administration on the Mexican railways was obviously inconclusive. It has been seen how unfavorable was the setting from the standpoint of the conditions of the railway system. In any case, a verdict could hardly be pronounced on so short a trial. But the experience brought into relief certain ambiguities which seem inherent in workers' administration and which present formidable if not fatal difficulties.

The union was asked to be at once its own employer and its own defender. It had to learn to play a double role. Success required a high degree of restraint and self-discipline, accompanied by drastic devolution of responsibility to the directing board and a scrupulous refusal to act otherwise

than through the board. In theory, the board was regarded as a group of technical representatives, not delegates of the union or of sections thereof. In the application of the theory, however, the union struck directly at the manager. The board was short-circuited. This outcome was encouraged by an inherited atmosphere of class suspicion, much of which was perhaps justified by the circumstances of history.

What has been said bears upon workers' administration under a board wholly chosen by the union. Since December, 1940, only three of seven board members may by law be chosen by the union. Advocates of labor representation on public boards of management may find a warning in the union's withdrawal of its three representatives. The union was embarrassed by their presence on the board.

It is not merely workers' administration on the Mexican railways that has seemed to march up a hill and down; there are signs that labor leaders in Mexico have made some significant shifts in their thinking about the forms of socialization. A special economic congress was convened by the C.T.M. at the end of January, 1941, to discuss a philosophy of action. Herein the C.T.M. redefined its attitude toward state intervention in economic matters and toward worker management, whether embodied in workers' administration of public enterprises or in producers' cooperatives. Some of the resolutions adopted by the conference seemed to indicate a considerable reorientation of outlook. First, the role of the state was stressed in carrying forward the tasks of the Mexican revolution, which, it was said, is "a movement tending towards the liquidation of the feudal characteristics of Mexico and, at the same time, showing anti-imperialist features." In the circumstances, it was declared to be the "duty of the revolutionary labor class to strengthen the intervention and authority of the Mexican Democratic state." Accordingly, "the C.T.M. advocates striving for the operation and

¹ Mexican Labor News no. 60 (April 4, 1941).

administration by the state of the principal branches of the national economy (such as public services, production of raw materials, transportation, electric power, etc., as well as credit institutions for the development of these branches), according to a plan of progressive nationalization for the benefit of all." The state should conduct such enterprises through decentralized forms of administration; the workers for their part should keep their union organization.

The economic conference of the C.T.M. frowned on producers' cooperatives. On this type of enterprise it was said: "The experience, duly weighed by the C.T.M., with respect to labor in the form of cooperatives has led our organization to the belief that this economic system does not solve the problem of freeing the workers as a class as long as it is carried on in an 'independent' form within the markets of capitalist economy." Indeed, when producers' cooperatives are not a cloak by which capitalism evades the requirements of labor legislation, they may divert the attention of workers from the main question. The resolutions declared further: "Nor is the syndicalist type of production, that is, the administration of industries by labor, deemed adequate by our organization as a means of bringing on the economic emancipation of the labor class." This type of action scatters the forces of labor and introduces a third and confusing economic factor. "In the second place," declared the resolutions in regard to the syndicalist management of enterprise, "this system forces the groups connected therewith into a situation where they have to sacrifice their social conquests on the altar of the economic success of the enterprises under their management, with the result that their standard of life and working conditions are lowered. . . ." But consumers' cooperatives (which in the past have had a negligible development in Mexico) were warmly endorsed as a method by which real wages might be protected against rising living costs.

The conclusions expressed by the C.T.M. conference in 1941 have not been reached suddenly, although, at points, they run contrary to certain tendencies in Mexican social innovation. They had been anticipated, for example, in the vehemence with which Lombardo Toledano, as a member of Congress, spoke in 1937 against the idea of an independent industrial producers' cooperative movement. It was different in agriculture, he said; and consumers' cooperatives were declared to be wholly desirable. The attack on producers' cooperatives, moreover, was leveled mainly at the idea of an independent cooperative movement. It was admitted that governmental participation, with financial aid and guidance, might partly offset the deficiencies and risks of producers' cooperatives.

Producers' cooperatives in sugar processing have revealed some of the complications that attend direct labor ownership of factories through cooperatives. Some of the major plants in Mexico have been under cooperative ownership and management. Workers in such plants, though members of the general union in the industry, stood somewhat apart from the mass of sugar mill workers. Nor was this the only rift. What of the agricultural workers in the fields about, who brought their product to the mill? They, too, were producers of sugar and sometimes resented the real or fancied advantages of the inside worker-owners. Beyond all three groups of workers were the consumers of sugar.

Workers' administrations, like producers' cooperatives, face a dilemma. If the economic opportunities are meager and the earning power of the enterprise is weak, the workers engaged in it may be put at a serious disadvantage. This situation is likely, for it is naturally the marginal private concerns that are most ready to give up the struggle and to sell their properties to their former employees. The history of producers' cooperatives in Mexico has afforded not a few examples of this sort of gravitation. The

other side of the dilemma arises when the enterprise possessed by a group of workers is in a strategic economic position. Then its workers may have advantages not shared with the rest of labor.

There is apt to be a further and related defect in both producers' cooperatives and workers' administrations, whether their economic position is good or bad. Their dif-

fusion of responsibility and localization of incentives may result in a serious lack of coordination. And it is precisely the need for concert that is usually the strongest and soundest of reasons for supplanting private forms of enterprise. The impulse toward administrative deconcentration, flexibility, and release of personality must make terms with this fact.

Internal Administrative Organization

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IT SEEMS unfortunate that most of the literature dealing with the grouping of administrative activities has concentrated to so large an extent upon the subdivision of major jurisdictions into departments. The failure of this literature to evolve a convenient core of organizational principles is due in part to the disinclination of writers to work out a common terminology which would serve as a framework for observation and evaluation. But even were such a set of principles generally accepted, the very weighty impact of political considerations upon public administrative organization at the departmental level would render the materialization of the ideal more difficult in this sphere.

In the lower levels of public administration, on the other hand, political considerations are less omnipresent, reorganization is easier and more frequent, and the process both of experimentation and of improvement is less complicated. It is on these lower levels that purely organizational principles can be most readily observed and tested, and yet the problems on these levels have been least studied and discussed. It is hoped that this article—which does not pretend to contain a body of administrative dogma—may suggest to observant administrators some basic points around which their own experiences can more readily be oriented. It is only on the foundation of actual administrative experiences¹ that valid principles of in-

ternal administrative organization can be formulated or applied.

Ground Plan

TYPES of administrative organization have been variously classified and discussed by Taylor, Gulick, Hopf, Sheldon, Davis, the British Machinery of Government Committee, and others. The writer, after careful efforts to use these classifications in practical observation and to work out other systems of classifications, has concluded that, on the whole, Gulick's grouping is best suited to internal administrative organization. Accordingly, the following classification, which includes Gulick's four methods of grouping, together with a fifth one added by the writer, will form the framework of this discussion. This classification assumes that the major methods of grouping are:

1. According to *purpose*—e.g., furnishing water, conducting education.
2. According to *process* or technical skill, such as engineering or accounting.
3. According to the *place* where performed.
4. According to *clientele* and persons served, such as immigrants, veterans, or Indians. (The writer omits here Gulick's addition of "things dealt with"—e.g., mines or parks—to "persons served.") In the case of internal administrative organization, it is often necessary to substitute "other governmental agencies dealt with" for "clientele served."
5. According to *knowledge available* or procedural convenience. "Knowledge available" as used here does not refer to technical

¹ It may be suggested that the *Case Reports* issued by the Public Administration Committee of the Social Science Research Council furnish an opportunity for recording such administrative experience. They are cited occasionally below.

professional knowledge, but to the store of available information which is gathered in the course of administrative operations and which forms the basis of administrative procedures.

This classification, like any classification of phenomena in the social sciences, should be viewed as one of convenience alone. In many instances, the administrator may find it desirable to combine two or more of these types in one organizational arrangement. In other cases, careful thought may reveal the fact that the values characteristic of one or more of these types may best be achieved by adopting a different type of organization. For example, in a case discussed more fully below, the staff of a public employment agency was divided on the basis of industries dealt with. This is, in general, organization according to clientele. In this instance the particular pattern selected involved also the essential values of a "place organization." Similar industries happened to be located in fairly close proximity. In addition "procedural convenience"—the more ready interchange of essential knowledge between employer and applicant interviewers than was possible with a "process" division—was a reason for adopting a clientele organization.

In spite of this inevitable complexity, the five major types noted above do serve a useful function as a sort of preliminary check list; and the advantages and disadvantages of each will be considered in this essay, as well as certain special considerations which may affect the choice between primary types.

All generalizations in the field of internal administrative organization must of course be appraised on the basis of certain fundamental concepts. The fuller discussion which these concepts deserve cannot be accorded them in this brief article. Here it is possible only to recapitulate briefly certain principles which are generally accepted as valid.

First, so far as practicable, the principle of unity of command should be observed. This principle dictates that individuals should receive orders from, and report to,

only one supervising officer. Adherence to it tends to eliminate executive jealousies over a subordinate's loyalty and confusion on the subordinate's part. In addition, an opportunity to review each individual's entire work load is afforded to the immediate supervisor with resulting benefit both to efficiency and morale in the organization.

Second, so far as practicable, the span of control, or number of subordinates, of each supervising officer should be kept small. This principle is of great importance if supervisors are to judge their subordinates' work correctly, to give them adequate leadership, and to handle problems of their coordination.

Third, no matter what form of organization is adopted, it is important that individuals should be clearly informed of their official location, and of their supervisor's and their subordinates' authority and responsibility.

When line-staff organization is used, it is especially important that individuals who hold staff positions should be informed that their functions are advisory, not supervisory. If a limited delegated authority is granted a staff employee, he should be carefully informed of its limits, as should the individuals over whom he may exercise it.

Grouping Activities by Purpose

WHEN all, or most, of the activities essential to the rendering of a given service to the public are grouped together, the administrative organization adheres to the "purpose" type. For instance, a state department of health is a broad purpose organization. If that department contains a bureau of venereal disease control, and that bureau contains a division of syphilis suppression, and if each of these subunits employs within itself all the doctors, technicians, statisticians, clerks, and other personnel necessary for its own program, then "purpose" is the organizational principle on the subdepartmental as well as on the departmental level.

Gulick has quite justly pointed out that the grouping of activities according to pur-

pose has, on the departmental level, the considerable advantage of concentrating the entire job under one executive and of thus lessening that executive's responsibilities for negotiation and clearance. On the subdepartmental level, this advantage is not so evident. In fact, it may even be true that division according to subpurposes *increases* the problems of coordination. If we attempt to subdivide broad departmental purposes, such as promotion of agriculture or fostering of conservation, into narrower divisional purposes, such as control of wheat farming, promotion of wild life, or promotion of farm forestry, we find our narrower purposes beginning to clash with one another. Perhaps the best way to control wheat farming is to encourage dairying—the work of another division. How can wild life be encouraged without coming into conflict with reforestation policies? Is the encouragement of farm-forests part of the purpose of promotion of agriculture or the purpose of promotion of agriculture or the purpose of promotion of lumber conservation? Obviously the difficulties encountered in subdefinitions of purpose are such that frequent problems of coordination will arise.

Similarly, the public relations value of organization by purpose noted by Gulick seems more applicable to the departmental than to the divisional level. It is certainly true that the public best understands, and consequently can more clearly focus approval or disapproval on an agency devoted to some specific major purpose. It is also true that occasionally the legitimate desire to maintain cordial rapport with the public may dictate the establishment or maintenance of purpose subdivisions. For instance, the Michigan Conservation Department, which has already introduced some area subdivisions, hesitates to develop a complete place organization in part because particular conservation-minded groups desire a specific fish division, game division, etc. On the whole, however, public reaction is more concerned with major than with minor purposes.

An obvious danger of minute purpose

classification is the multiplication of duplicating specialist services. For instance, if a state department of health were divided into minute "purpose" divisions, such as those suggested above, an unnecessarily large staff might very well result, since each division would have statisticians and laboratory technicians when one set would adequately serve several bureaus.

In spite of the fact that the preceding paragraphs have tended to minimize the value of purpose grouping on the lower levels, it is not the writer's intention to imply that this type of organization should be summarily rejected. It is merely his desire to point out that values on one level do not automatically transfer to lower levels and that the peculiar circumstances should be carefully surveyed.

Where a major purpose can be broken up into clean-cut minor purposes, that may prove to be the most harmonious method of grouping various specialties. If a line administrator finds himself attempting to supervise a large number of specialists whose activities cannot reasonably be grouped on other bases, a somewhat arbitrary definition of a subpurpose may be useful in reducing span of control. Regional offices of the Soil Conservation Service are cases in point. Each has a dozen or more specialists whose functions do not readily lend themselves to grouping on any of the bases mentioned here. In addition the regions have a large number of territorial subdivisions which, combined with the specialists, make for an unreasonably large span of control for the regional officer. Somewhat arbitrarily, regional office specialists are grouped under two assistant regional conservators—one dealing with business administration and the other with technical operations. While not a clear-cut division by purpose, this grouping is more nearly by "purpose" than by anything else and does seem to relieve the regional conservator of many coordination problems. In contrast, Forest Service regional offices customarily permit all major specialists to report to the regional

forester, with considerable resulting conflict.

In the case of certain staff agencies, basic purpose seems to have been too long overlooked in the organizational system and is only recently being restored to its proper significance. For instance, budgeting was very frequently assigned to accountants—perhaps on the vague theory that all consideration of figures was one “process,” more probably from a mistaken application of the principle of procedural convenience, since the accountants had readiest access to financial data. There is an increasing realization, however, that the fundamental purpose of budgeting is far closer to general management than it is to accounting, and the better run governmental units are tending to transfer the budgeting functions to the immediate supervision of the chief administrator. The shift of the United States Bureau of the Budget to the Executive Office of the President is a conspicuous example of this general tendency.

Grouping Activities by Process

THE TYPE of organization which groups personnel according to the basic technical skills employed has been very frequently used in the lower levels of the public service and has long been recognized as a primary type of organization. This type Gulick has aptly called “process” organization.

In an age of specialization it is quite natural that various influences should tend to entrench and extend this method of grouping. It is conducive to the development of highly specialized skills under the constant supervision of specialized experts. It constitutes the quickest and most economical way of fitting the professionally trained person into the government service since he is transplanted into an atmosphere where the vocabulary, the skills, the interests are all essentially familiar to him, and a minimum of adjustment is necessary. Career service is facilitated since specialists can more readily move upward within the framework of process departments. Certain other factors have contributed to the extension

of this type of organization. When a new subject develops, gains prestige, and perhaps takes on a somewhat cultist aspect, the shrewd line administrator realizes that, if his agency is to carry its weight in controversies with other agencies and in public relations, he too must have specialists in the field. In many cases purely advisory staff positions do not attract the best men, and responsible executive positions must be offered. To make such available to the technical specialist a “division” must be created—in short, a process organization must evolve.

This type undoubtedly has definite advantages. In many cases the need for specialization by process is acute, and the benefits derived from it counterbalance all minor disadvantages. In other cases, the process method permits economies of large-scale production. The Forest Service, for example, is modifying to a limited extent its traditional organization by place, by centralizing all accounting in regional offices. This change makes possible the economy of using accounting machines.¹

It is, however, the writer's considered opinion that, despite certain obvious values, organization by process has been greatly overworked in governmental administration. For instance, the argument of career service opportunities may be counterbalanced by a striking need for the development of over-all nonspecialized line administrators. Even more serious is the tendency of process organization to increase the problem of coordination—a tendency which is evidenced by the following examples.

For instance it is generally recognized that most public personnel agencies need proficient specialists in examination and classification technique. In large part, however, such specialists have to be trained on the job. The natural inclination is to set up the future specialists in examining or classifica-

¹ S. E. Schoonover, “Allocation of Accounting Functions between Regional and Field Offices,” *Case Reports in Public Administration* (Public Administration Service, 1941), No. 41.

tion divisions where they will be undisturbed by other problems. Routine clerical activities may then be turned over to an administrative division. In the United States Civil Service Commission this process division had, until recent changes, gone so far that the receipt of applications, the filing of applications, and the mailing out of notices and requests to applicants were handled by a separate applications division, quite distinct from the examinations division which it was the duty of the applications division to service.¹ Similarly the Michigan State Civil Service Department has had an administrative division of somewhat similar nature "to keep the technician's time free from administrative details." The New York City Commission and other agencies are similarly equipped.

The idea behind this type of organization is admirable but in practice the scheme has missed fire in several instances with which the writer is acquainted. The number of individuals with whom the line departments must deal are multiplied. In at least one instance sharp rivalries between division heads appeared and reappeared after almost complete changes of personnel. In several instances subordinate personnel of the respective divisions have a somewhat exaggerated distrust of each other's motives. The writer's tentative analysis is that such difficulties stem from a basic flaw in the process type of organization. Process organization multiplies problems of coordination. Every commodity, every service, almost every transaction must be pushed through each division of a process type organization. In moving from one division to another, problems of jurisdiction, of scheduling, of method of treatment, and of agency policy require coordination. Such multiplication of points of contact furnishes a fertile field for the seeds of rivalry and distrust. Subordinate administrators forget the purpose of the governmental actions in their efforts

to be sure that their particular part of the process is done to their own satisfaction.

It would be easy to multiply instances of problems of coordination resulting from process organization. One large federal organization which is customarily, and correctly, considered to be one of the best administered federal bureaus recently discovered that its field officers were compelled to use three widely different classifications for accounting, for unit work reporting, and for filing, when an interrelated system could have saved much time and trouble for busy field officers. Needless to say, each of these classifications came from a different process division in the Washington office of the bureau.

It has sometimes been thought that process organization is suitable for supervision of agencies which may in themselves be of the purpose type. Macmahon and Millett seem to imply this in their *Federal Administrators* when they conjecture (p. 59):

In connection with the organization of supervision generally, the judgment is hazarded that the allocation of supervisory duties should be flexible and functional, rather than in terms of fixed assignments of groups of bureaus.

Gaus and Wolcott's *Public Administration and the United States Department of Agriculture* (pp. 323-324) tells us that general supervision in the Department of Agriculture functions in part through such specialized process offices as personnel and finance, but they go on to question the desirability of the process type of supervision. Contacts with field offices have led the writer to grave doubts about the value of supervision which is segmented into technical processes. Both the Forest Service and Soil Conservation Service, for example, have found it necessary to supplement inspection (a form of supervision) by process specialists with an over-all or integrated inspection which recognizes the importance of place and purpose elements in the organizations.²

¹ Since this article was first written, the Commission has happily been reorganized to consolidate a few of these minor divisions.

² A. M. Hedge and George C. S. Benson, "Supervision and Inspection of Local Projects by Regional Offices," *Case Reports in Public Administration*, No. 43.

It may reasonably be suggested that all of these problems can be solved by proper cooperative spirit on the part of the personnel. This is true but who will guarantee that government departments (or other agencies) will be equipped with fully cooperative personnel? To be jealous is only human—a fact which realistic students of administrative organizations should take into account.

These difficulties, however, are not of such a nature that process type organization should be abandoned. The writer would rather suggest the tentative generalization that process type organization should be used only when there is strong coordinating machinery on top of all process divisions. Strong coordinating machinery means a firm-willed executive director, but it means something more. It means an over-all executive who has time or whose staff assistants have time to handle coordinating problems as rapidly as they come along.

A specific example from the field of municipal government may illustrate the application of this principle. The city of Saginaw has divided its water service activities on a process basis between its finance and its engineering departments. Testimony of managers and others is that the system works rather well, although problems of coordination do frequently arise. Saginaw has a strong over-all executive who is constantly on hand to settle such problems as they come to him. If, on the other hand, the city of Ann Arbor, which has no full-time chief executive, should attempt such a division of its water board activities, the results might well be a disastrous series of jealousies and rivalries.

Another example of the possibility of successful operation of a process division by a strong coordinator is given in a Tennessee Valley Authority case reported by Greene and Reichle.¹ Finance and materials departments disagreed about jurisdiction over property accounting. The general manager

recommended that the finance department should undertake this task, the board agreed, and the matter was settled. The wrangle might have continued for some time, however, if the T.V.A., like many state and local departments, had possessed a relatively weak executive.

Grouping Activities by Place

ACTIVITIES of a particular department or bureau may also be grouped according to the area served. Although theoretically this need not be synonymous with administrative decentralization by place—the State Department, for instance, has divisions based on geography which are not examples of decentralized administration—in actual practice the recent strong tendency in the federal services and in some state services toward this type of grouping has been characterized by administrative decentralization. Regional and field offices have been established by newer services such as the Social Security Board, and by older services such as the Bureau of Internal Revenue.

Since, to some extent, this drift is an alternative to political decentralization it raises numerous issues of political science which are not appropriately discussed here. It is sufficient to say here that the major administrative reasons for grouping activities by place are (1) an opportunity to adapt policies to the needs of a particular area; (2) an opportunity to coordinate policies and programs of various specialists without excessive use of travel, time, and money; (3) an opportunity to bring supervision closer to the workers in the field; and (4) a feeling that better public relations will be secured if a responsible official who is permitted to make quick decisions or render quick service is in the area. A good many other arguments can be adduced but most of them are variations of these.

Organization by place is obviously of more importance in federal bureaus than in states or cities. It is, however, beginning to appear in unified state tax departments. It is a necessity in state police work and in

¹ Lee S. Greene and Leonard Reichle, "The Location of Accounting Records Revealing Use of Property," *Case Reports in Public Administration*, No. 3.

large city police work although the exact role of the place unit in the latter is not clear. It is very general in state and local welfare administration.

What can be said as to the circumstances in which organization by place is helpful? Clearly, any organization whose work requires a large field staff needs organization by place to reduce the span of control of administrators and the travel expense involved in supervision. Organization by clientele or by knowledge available (procedural convenience) is often likely to coincide with organization by place. Recently, for example, many of the state unemployment compensation and employment services have integrated their field organization on a place basis. Procedural contacts between the services themselves and unified dealing with employer-employee clientele are both aided by this grouping.

It is often necessary, however, in view of particular situations, to gauge carefully the relative values of the different types of organization. Students of welfare administration, for example, are divided into two schools, unificationists and categorists. The former favor unifying welfare service administration over an area; the latter, the use of special administration for such particular categories as old-age assistance or aid to dependent children. The writer understands that, on purely administrative grounds, the swing is toward unification.

It is apparent that considerable advantages in regard to public relations would ensue from the adoption of welfare administration unified as to clientele, but decentralized as to place. On the other hand, unquestionably certain values of extra specialization would attend a purpose or process system. In this case, over-all judgment would seem to weigh the former advantages more highly than the latter.

Organization by place, however, is by no means lacking in characteristic difficulties. Gulick lists "higher costs for supervisory personnel, the general hesitancy of central administrative heads to delegate sufficient

real power, the lesser prestige of localized officials, and the increased tendency of such a system to come under the control of localized logrolling pressure groups." However, the writer believes that some of these evils are not necessarily or peculiarly connected with internal organization by place. The higher costs of decentralization have never been statistically proved and are quite possibly less than the cost of coordinating process departments in the central office of organizations where no grouping by place exists. While it is unquestionably true that central executive officers all too frequently hesitate to delegate real responsibility to regional or area executives, it is equally true that all executives, functioning in any organizational framework, are likely to manifest a disinclination to delegate power. The prestige which it is exceedingly desirable that local administrators possess could be increased through placing the local positions in a higher classification.

It remains true, however, that serious problems exist. For instance, the extent of feasible decentralization is a moot point. Should the subordinates of a district officer of a state conservation department work in subdistricts or should they all operate from the district office? At what point does the decentralization of police forces cease to be efficient and desirable? The answers may vary widely in different fields, and as yet no satisfactory formula has been suggested.

The question, how far down the administrative hierarchy staff specialists should be located, is another pressing problem. Limitations of space do not permit any extensive discussion of problems like this which involve the whole theory of decentralization, but the reader is referred to Miss Dhonau's monograph.¹

Line-staff relations may become particularly difficult in a decentralized department. This, too, is so inclusive a problem that it is possible here to do no more than

¹ May L. Dhonau, *Decentralisation in Government Departments* (The Institute of Public Administration, London, 1938).

suggest a few of the more critical decisions which administrators face. Should a technician in a regional office report to a regional director or to his technical bureau in Washington? Different departments have made different decisions on the point. In the Forest Service the technician reports to his regional director; in the Social Security Board a dual system has been worked out whereby he reports in part to the regional director, in larger part to the appropriate Washington bureau; in the Park Service some specialists report not through the park and regional line officers but directly to Washington. It is the writer's opinion that if genuine decentralization is desired, the organizational pattern should adhere more closely to basic line-staff principles than it now does in most federal agencies. This means that over-all administrative supervision of the regional line officer should be more clearly recognized than it is now in most federal agencies. Military experience suggests that it can be so recognized without weakening technical supervision from the appropriate technical bureau in Washington.

Finally, work planning, accounting, and budgeting are more difficult in an organization which groups a number of activities—differing in process and partially in purpose—on a place basis. The field staff, especially the supervising staff, has a complex function. The difficulty is, however, by no means insuperable. The United States Forest Service, for example, has done a great deal toward meeting it through modern accounting and work measurement methods.¹

Grouping Activities by Clientele

ALTHOUGH the establishment of major departments on the basis of clientele—or persons dealt with—was deemed unsatisfactory by the Haldane Committee in Great Britain and practice in the United States has not favored this type of departmental or-

ganization, in internal administration the method may have great practical utility. Before discussing it the writer wishes to make a distinction between two types of clientele which seems to him of considerable significance, although it has not received general attention. "Clientele" may refer to individuals, as for instance children or veterans. It may also refer to other governmental agencies with which the particular department has frequent contact because it renders them service or receives service from them. Since the problems and solutions are not necessarily the same, this section will discuss them separately, attending first to clientele in terms of individuals.

From the public relations standpoint, organization by clientele may have great advantages. The individual with a problem dislikes dealing with a battery of governmental employees; he is annoyed by the necessity of reintroductions and re-explanations; he resents being shunted back and forth between "experts." Furthermore, an agency in which this method of client contact is employed very frequently fails to discern and appraise the reactions of its clients, and as a consequence the formulation of satisfactory policies of public relations may be impeded.

So important are these popular reactions that even in the welfare field where certain students wholeheartedly champion the purpose-process type of administration of specialist services, it is the general practice, where possible, to permit only one social worker to deal with a given family. In other departments there is an increasing tendency to route public relations work to one or a few people.

There are, however, reasonable limitations to this theory. For instance, if the work of an agency is so complex that one man cannot explain all phases of it adequately, the public will quite naturally object to dealing with a person who does not understand all the problems involved.

Moreover, in some cases, even though public relations might be improved by a

¹ James E. Scott, "Financial and Personnel Control," in *The Work Unit in Federal Administration* (Public Administration Service, 1937).

clienteles type of organization, they are of secondary importance and hence a complete administrative organization by clientele is not justified. For instance, the greater values of technical expertness may in certain services far outweigh any possible advantages to be derived from improved client contacts.

Obviously the most difficult cases are those in which two values which dictate different types of organizations are of almost equal importance. In decentralized agencies clientele relations may happily coincide with area, but they may run counter to technical supervision. For instance, the Forest Service has not yet decided whether the superintendent of a Civilian Conservation Corps camp should report to the ranger on whose district he is located or to an assistant forest supervisor, who has special competence in C.C.C. work. The latter alternative has been favored in a number of forests, for it permits more expert supervision of the camps, but it has been pointed out that this course may adversely affect public relations. The public may resent the necessity of circuitous complaints about the camp.

In certain cases the problem of clientele relations concerns contact not so much with individuals as with agencies, sometimes private, more frequently governmental. Thus, a fundamentally purpose or process agency may be faced with the question of organizing interagency contacts.

At what administrative level should such contacts appear and how should they be handled? The Soil Conservation Service, for example, maintains in each state coordinators whose primary function is to deal with state agricultural extension services and other related departments. These coordinators report directly to the regional office of the service and are usually of higher rank than the area conservationists within the state. Some of the latter, not altogether unreasonably, feel that this special mechanism for interagency contacts cuts sharply into their own positions. They contend that the creation of such a special mechanism

confuses their own administrative relations with the regional office.

In the Forest Service, regular line administration is used in part for a somewhat similar end. One of the forest supervisors within a state is appointed a liaison man with the state capital. At the same time a small division is usually maintained in each regional office to handle grants-in-aid contacts with the states. There is some feeling within the Forest Service, however, that outside contacts need a more definite emphasis in regional office organization.

There is a special utility for clientele organization in departments whose major job it is to deal with other departments. Key and Lansdale have appropriately questioned whether the Social Security Board should have so arranged its organization that one state official may be forced to deal with representatives of several bureaus of the Board.¹ The writer has often wondered whether large public personnel agencies and accounting and auditing offices should not organize themselves according to major departments dealt with rather than according to process as now. Their interdepartmental relations might be greatly improved if contacts were thus simplified. The estimates division of the U. S. Bureau of the Budget is now set up on such a basis of clientele departments.

Grouping Activities by Knowledge Available

IT is the writer's opinion that, in addition to Gulick's four major types of organization discussed above, a fifth type is equally basic. This is the grouping of activities, including perhaps several purposes or processes, which utilize a common store of knowledge or which are bound closely together by certain factors of procedural convenience. The recent merger of employment service and unemployment compensation offices, which has been generally considered advan-

¹ Unpublished manuscript by V. O. Key, Jr., quoted in Lansdale, Long, Leisy, and Hipple, *The Administration of Old Age Assistance* (Public Administration Service, 1939), p. 16.

ageous, is based upon the theory of this type of organization. The two services were set up for different purposes, and initially they operated with different administrative departments. Close cooperation was essential in order that, with certain minor exceptions, no person who was not registered as available for work at the employment office should receive benefits. In fact the two services operated out of the same local offices. Obviously between two agencies, procedurally interrelated in the most intimate way yet administratively independent, friction would inevitably arise. The only reasonable solution was to merge these two services whose knowledge was mutually indispensable and whose procedural activities were inextricably linked together.

A similar reason has dictated the frequent combination of workmen's compensation divisions with agencies dealing with the prevention of industrial accidents. It has been maintained that the former, which receive speedy and complete information about all such accidents, are natural centers for the initiation of preventive measures.

It is necessary, of course, to analyze carefully the nature of the relationship between two agencies before attempting to combine them. For instance, it has been proposed that occupational disease prevention should be merged with workmen's compensation. It is true that some relationship exists here, but most jurisdictions have decided that occupational disease prevention is far more fundamentally a part of generalized public health and have accordingly assigned it to the department of health.

Moreover, it is not always desirable to combine two agencies simply because they use a common fund of information if that information is of a type readily transferable. Statistical data, for instance, can be easily exchanged between offices. Intimate details or impressions arising from personal interviews, however, may be very difficult to relay from unit to unit.

Frequently, availability of knowledge will coincide with clientele organization. Strik-

ing examples were the sixty commodity sections which constituted the backbone of the War Industries Board in the first World War. Men of very different specialties—accountants, scientists, businessmen—were put in these sections. Their information was used for different purposes, such as priorities control, price control, or production development. But they were of tremendous value to the organization because of the pooling of knowledge in one place, and because of the advantage to the industries concerned in having a single point of contact. Thus, clientele and knowledge organization were combined.

Many so-called service units are to a large extent set up as reservoirs of knowledge. The bureaus of animal industry, dairy industry, and plant industry in the Department of Agriculture are chiefly service units. Each includes a broad variety of technical skills. Each is useful because of the combination of knowledge it brings together.

At times too superficial an evaluation of procedural convenience has led to serious difficulties. Thus, as we noted above, budgeting was frequently merged with accounting—and turned over to narrowly technical men—simply because certain common financial material was used in both functions. Used with discretion, however, organization by procedural convenience is an important type of internal administrative organization.

Other Considerations

IN THE course of this discussion it has become apparent that certain values are peculiarly characteristic of certain types of organization. Thus the advantages of technical specialization will most frequently accompany process organization; the establishment of satisfactory public relations is more likely to accompany organization according to place or clientele. In a sense, the five preceding sections have discussed both types of organization and the reasons which may induce an administrator to decide on one or another of these types. But there are other

factors, too, which must be considered in making such decisions—values which are not peculiarly characteristic of any one type but which may inhere now in one type, now in another, depending upon individual circumstances.

First, it is of major importance to use existing personnel to the best possible advantage. Thus the type of personalities available may in some cases be the determining factor in an organizational plan.

Farquahar has remarked that even the fundamental division between line and staff is based to some extent on the division between men whose personalities fit them for broad decision making and line leadership on the one hand, and men who are more fitted for advisory staff roles on the other.¹

Boemi has told us that the New York City Planning Commission's division of master plan apparently found it advisable to divide its staff largely on a basis of personality factors. All members were trained in engineering but some were peculiarly fitted for the work of getting out current memoranda and others for work on the master plan. In this case, personality grouping within a purpose-process organization became a reason for a further process subdivision.²

More frequently the personality consideration merely weighs the balance in favor of one of the primary types. We noted previously the problem confronting many national forest administrators whether C.C.C. camps should report to the ranger on whose district they are located or to a C.C.C. specialist in the office of the forest supervisor. The argument of administrative decentralization by place is largely in favor of responsibility to the ranger. But some forest supervisors have felt that the ranger's personality and training are not adapted to best supervision of C.C.C. camps and have made the camps responsible to a special assistant of

the supervisor. Thus considerations of personality available have affected the choice between place and purpose process as a means of grouping activities.

A second desideratum is the clear focusing of responsibility. All administrators must strive strenuously to prevent "buck passing" by their subordinates. Frequently this consideration reacts against a particular type of organization—most often against the process type—and in favor of the development of some other type which has a more clear-cut center of responsibility.

For example, the Texas State Employment Service has reported a case in which a process organization was abandoned in favor of a clientele-knowledge combination in part because the latter combination reduced "buck passing." The former system of grouping employer interviewers and placement interviewers on a process basis was exchanged for one in which interviewers of both types were grouped according to the industries served. It is true that the new arrangement had the considerable advantage of making information on employer needs more readily available to placement interviewers, but it was also important because it lessened the likelihood that the placement division could lay responsibility for its poor placement record on faulty work of the employer interviewer division.³

In large field services, the desire to secure a clear focusing of responsibility on the person in charge of activities in a particular area is often the only consideration which prevents a partial or complete substitution of process organization for place organization—so strong is the desire for specialized supervision by the heads of the specialized divisions in the central office.

A third consideration which sometimes influences choice of organizational method is the desire to have organizational subdivisions check on each other. Auditing is often separated from accounting for this ob-

¹ H. H. Farquahar, "The Modern Business Staff," in *The Society for the Advancement of Management Journal*, 60 (1939).

² A. Andrew Boemi, "Organization of a City Planning Department for Current and Long-Term Activities," *Case Reports in Public Administration*, No. 21.

³ Texas State Employment Service, "Organization of a Function Involving Two Clienteles," *Case Reports in Public Administration*, No. 1.

vious reason. The Bureau of Internal Revenue has auditors to check its collectors. Public works inspectors are frequently separated from construction units. It is rumored that one prominent federal administrator even keeps two sections of economic advisers so that one may criticize the economic truths discovered by the other.

On the other hand, what may be called the opposite value—the value of removing undesirable obstructiveness—is often a critical point in organizational decisions. Thus agencies based on very broad purposes and clientele or place organizations may contain conflicting divisions which would function more smoothly and effectively if distinctly separated. Schuyler C. Wallace believes that the promotional and regulatory functions of the United States Department of Agriculture have long suffered because of the mutual ill will engendered by their basic theoretical conflict, and he notes that a federal department of social affairs which attempted both to serve and to regulate labor would encounter the same difficulty. Truman in his interesting study of specific aspects of the Department of Agriculture's Chicago program confirms the importance of this point, although his evidence does not support the conclusion that the problem is insuperable.¹

The Administrator's Decision

IT BECOMES apparent after consideration of the problem of internal organization that the student of administration cannot offer to the administrator any simplified copy-book rules governing the choice of organizational types. He can only describe the various possibilities of organization and the results which are likely to flow from a given type of organization. The task of the administrator is then to select the method or combination of methods which best satisfies his immediate needs.

Certain dominant factors are likely to influence his choice. One may suspect, for

example, that, if public relations are paramount, administrative decentralization by place or clientele or by some combination which includes place or clientele should be emphasized. Sometimes the securing of cooperation within a strife-ridden department may be so essential that organization by purpose or by a combination which includes purpose should be worked out. If specialized skill is needed, process is likely to be emphasized in an organization, and if strong administrative control is available, this may prove the best choice.

Applying this method of analysis, for example, to the problem of responsibility for supervision of C.C.C. camps in the Forest Service, we find that the supervisor must look to his greatest need. If his need is specialized supervision of C.C.C. camps, the process method prevails. If it is area coordination of clientele relations, the place method should prevail and the camp report to the ranger. It is possible that needs may change and organization change accordingly.

Sometimes, different solutions may appear in the same organization. An area conservationist in the Soil Conservation Service has on his immediate staff three assistants including an agronomist, a biologist, and an engineer. With them he must supervise work in a dozen C.C.C. camps which are working on individually owned farm lands over three soil conservation districts in thirty-odd counties of a midwestern farm state. If he should allocate work to his men by area, he loses the advantage of their specialization. If he allocates work by functions, he will lose the chance of intimate contacts with the farmers in each soil conservation district. Clearly, such public relations angles cannot be readily sacrificed in a largely educational and demonstrative job.

The writer knows of three different methods used to solve this problem on three Soil Conservation Service areas. In one, place is the major means of subdividing work between the area conservationist's assistants. When one man's technical skill is needed in

¹ David B. Truman, *Administrative Decentralization* (University of Chicago Press, 1940), p. 163, pp. 136-137.

another man's district, he is imported as a special adviser. In another area, the individual's skill is used as a means of subdivision and he works over the entire area in his specialty. In a third area, the assistants have double assignments of clientele relations with farmers in certain subareas and technical activity in the entire area.

Such diversity of practice is not undesirable, provided each method of grouping has been based on careful analysis of the particular situation and the principle of unity of command is observed. If in one area farmer cooperation is hard to secure, organization by place is very necessary to avoid the irritating effects of individual contacts with several officials. If in another area technical problems predominate, the wise administrator uses his men for their technical knowledge. In the long run, however, as the Soil Conservation Service develops well-rounded conservationists, one can expect the area to predominate as a means of assigning activities because of the underlying public relations aspect of the job.

Summary

SEVERAL ways of grouping administrative activities within departments or bureaus have been reviewed. A few tentative generalizations may be offered in the hope that they will stimulate others to more careful observations. In no sense are they to be viewed as final conclusions.

In general, it is believed that grouping activities by purpose is more practicable on the departmental (or, in the federal government, bureau) level than it is on divisional or lower levels of administration. Clear definition of subpurposes is difficult and loss of specialization or unnecessary duplication of specialists is likely to occur

if purpose is extensively used on the lower levels.

Grouping activities by process is more frequently used than is desirable. It has a major advantage of permitting specialized supervision and a major disadvantage of raising problems of coordination. It is most useful when strong coordinating machinery is available.

Grouping activities by place is likely to have more and more importance, especially of course in large field services. It has major advantages of public relations and administrative adaptation. However, it raises great difficulties in regard to assignment of authority, especially with regard to authority over staff specialists.

Clientele is employed as a means of grouping activities chiefly where there are major problems of client contact. This system of grouping facilitates satisfactory client relations. It usually coordinates happily with organization by place but is likely to clash with process organization. It is often a factor in determining the type and amount of centralization or decentralization which may be employed.

Knowledge available or procedural convenience is sometimes useful as a criterion in order to group interrelated activities, avoid certain problems of coordination, and secure exchange of information. It is, however, sometimes used when a simple procedure for clearing information could achieve the same end.

Certain other considerations, such as the types of personalities available and the desire to focus responsibility or to check on honesty, may frequently determine the choice between, or the combination of, the five basic types of internal organization discussed.

Controlling Human Factors in an Administrative Experiment

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IN INDUSTRIAL research the experimental method has several times been successfully used to determine the manner in which production varies when conditions of work are altered, but experimentation has not proved easy in this field. Human beings, unlike the inert materials of the physics laboratory, cannot easily be subjected to the rigorous controls which are necessary for a successful experiment.

These difficulties of human control have no doubt discouraged the application of the experimental method to problems of public administration. In the past few years, however, a number of experiments have been conducted in the public welfare field which indicate that, under favorable circumstances and with careful planning, the administrator can obtain by this method valuable information to assist him in his task of management.

The most recent of these experiments—conducted in the California State Relief Administration—affords many illustrations of the difficulties encountered in handling the human and psychological problems of such a study as well as the methods which may be used to overcome these difficulties. A brief description of this experiment may encourage others engaged in administration and administrative research to utilize experimental techniques for testing administrative principles and procedures, and may assist them in handling some of the problems to be faced in any such experimentation.

The study was conducted by the Bureau of Public Administration of the University

of California in cooperation with the California State Relief Administration. It was undertaken to determine how many social workers were needed by the State Relief Administration for the most effective operation of the agency's program. The study sought to discover how large a work load, for most efficient operation, should be assigned to the professional workers engaged in each of the agency's two principal operations, that is: (1) how many new applications for relief should be handled by each "intake" worker, and (2) how many active cases should be handled by each "carrier" worker.

The customary procedures of the State Relief Administration may be briefly outlined as follows.

1. A needy unemployed person, applying for aid, is interviewed in a district office of the S.R.A. by a *qualifier*.

2. If the applicant is tentatively accepted by the qualifier, collateral inquiries are made, and a visit is paid to his home by a *field intake worker*. If the applicant is found eligible, he is certified for relief.

3. After the applicant is accepted, his case is referred to a *carrier worker* who is expected to re-investigate the case at intervals in order to determine whether he is still eligible for relief.

In order to determine the work quotas which would produce the most desirable results, quotas of different sizes were actually tested in practice under comparable conditions. Each step in the S.R.A. procedure was studied; that is, to test the office interview, different qualifiers were assigned applications at the rates of 50, 75, 100, and

125 per week, respectively, and the operating results observed. Different field intake workers were assigned applications at the rates of 8, 12, and 16 per week, respectively. Similarly, carrier workers were assigned loads of 60, 100, and 150 active cases, respectively.

Identifying the Variables

ONE of the first tasks in planning the S.R.A. experiment was to identify the variables which might be expected to influence the results of operation under the different experimental quotas. Until these variables could be identified and, in large part, controlled, successful experimentation was impossible.¹ The principal factors which it was thought might influence results were the following.

A. *Factors affecting the comparability of work units.* The volume of work handled by each social worker was measured in terms of "applications" and "cases." Obviously, these are not entirely homogeneous units, since the cases handled might be of varying degrees of complexity. If two workers were to be compared, it was essential that they be assigned cases of the same average degree of complexity.

B. *Factors affecting the output per worker.* The number of work units completed by each worker and the quality of the work done would depend upon a number of personal and organizational factors.

1. *Pace of workers.* Over short periods of time, workers might markedly increase or reduce their work pace or the number of hours worked per day. The purpose of the experiment was not to achieve a "speed-up" or "slow-down" but to study changes in production at a normal work pace.

2. *Procedures and work methods.* Most of the variables which have been studied in in-

dustrial experiments have fallen in this category. The typical time-and-motion study seeks to determine the time required to produce a given result under different methods of work.

3. *Ability, training, and experience of workers.* Any comparison of procedures must be between workers of comparable ability. Professional attitudes and quality of supervision proved to be of great importance.

4. *Workers' attitudes and aims.* The morale in the agency or organizational units, the aims and motives which guide the workers would affect performance. Especially important would be the attitude of the workers toward the experimental study, and their expectations as to what effect the findings of the study would have upon the work of the agency and upon their own jobs.

5. *Environmental influences on workers' behavior.* Certain environmental conditions which affect workers' attitudes required special consideration. The workers' security and insecurity in their positions, the agency's political situation, domestic or social conditions in workers' homes would all affect performance.

6. *General working conditions.* Some of the earliest administrative experiments dealt with fatigue and its relation to hours of work, lighting, other physical facilities, and so forth. Not so much importance is attached to these physical variables as was once the case, but they must nevertheless be considered significant.

Methods of Controlling Variables

MANY of these human variables did not present any particular difficulty since they could be eliminated by proper design of the experiment. Differences in the complexity of cases were minimized by assigning them at random to the workers handling the different quotas. The same procedures and work methods were employed throughout the experiment. Workers were assigned at random to the different experimental quo-

¹The authors derived much assistance in locating these factors from reports of earlier administrative experiments in the private management field. The pioneer studies of psychological factors in work-situations are discussed in Elton Mayo, *The Human Problems of an Industrial Civilization* (Macmillan Company, 1933).

tas so that there would be no significant differences in ability. General working conditions in the agency and other environmental circumstances presumably influenced workers under all quotas alike.

The variables which gave particular trouble were the control of work pace and the attitudes of the workers toward the experimental study. Special steps had to be taken to deal with these factors.

Since the willing cooperation of each worker was essential to the experiment, it was felt that control could be achieved only through a complete understanding of the workers' attitudes and the motives lying behind those attitudes. A worker performing his job in the agency would be influenced by a very complex hierarchy of motives comprising his expectations for personal reward from the job, his notions as to the purpose of his work and its place in the general scheme of the organization, his attitudes toward the organization's goals, and his attitudes toward fellow employees.

This entire structure of motives would determine the manner in which the worker did his job. When he realized that he was being subjected to an experimental situation, that situation might mean something very different to him—in terms of his own hierarchy of motives—from the normal working situation. A worker who is the subject of a time-and-motion study will be acutely conscious of the possible consequences of the study for the security of his job, his working conditions, the contents of his pay envelope, and the efficiency of the enterprise. All these considerations will influence his reaction to the study, and that reaction may be entirely different from his reaction to his regular work.

In the S.R.A. study, a conscious effort was made to understand the workers' reactions to the experimental situation and to modify those reactions so as to approximate, as closely as possible, normal working attitudes. It was recognized that "normal" attitudes would certainly not be achieved merely because the workers knew that man-

agement or the experimenters wished to carry out a study. The proper reactions could be assured only by helping the worker see the true implications of the study in terms of his own aims and purposes. Three principal techniques were employed to bring about this understanding.

1. *Demonstrating the consistency of the experiment with the worker's broader motives.* To the worker, the experiment might seem inconsistent with the objectives he was trying to attain in his daily job. The cooperation of such a worker could be obtained only by interpreting the study in terms of his more fundamental values and by showing him that these broader values would be benefited by a temporary sacrifice of some of his immediate objectives and attitudes. In this way his attention might be detached from the narrower frame of reference—the conditioned reflexes, so to speak—forced on him by his regular daily schedule of work.

2. *Showing the worker the implications of his behavior for the attainment of his own objectives.* In many cases, noncooperation resulted from a misunderstanding by the worker of how his own behavior would affect the realization of his objectives. While the first technique sought to modify behavior by calling attention to different and broader objectives, this second technique accepted existing objectives but encouraged the worker to reevaluate the appropriateness of his behavior toward those objectives. The first dealt with "ends," the second with "means."

3. *Avoiding any unfortunate consequences of the experiment for the individual worker.* The experiment was designed so that it would not threaten the job security, earnings, or opportunities for promotion of the worker.

This description will serve to indicate, in a highly simplified form, the general approach and technique. Where the reaction or attitude desired in the experiment conflicted with the known aims and values

of the worker, the experimental situation was redefined for him so as (1) to direct his attention to objectives which were broader than those in conflict with the study and (2) to change his expectation of unfavorable outcomes. The ideal was so to present the situation to the worker that he would want to react in the manner required for the successful conduct of the experiment.

Specific Problems of Control

A MAJOR problem in the actual conduct of the experiment centered around the question of work pace. The workers were instructed to work at a normal pace and to make such adjustments in the quality and thoroughness of their work as would be necessary to enable them to complete the required number of work units. Since all factors except the size of work quotas were held constant, presumably a comparison of the different groups would reflect the extent to which the size of quota affected the quality of the work. For a clear understanding of the experiment it must be emphasized that its purpose was to detect changes in quality of work resulting from changes in the number of work units handled, and that it was intended that there should be no change in work pace.

The Problem of a Speed-up

ONE of the greatest obstacles to the maintenance of normal operating conditions in the experimental units was the tendency of workers with the higher quotas to increase their efforts in an attempt to do work of the same quality that would be expected with a quota only one-half or one-third as great. As has been pointed out, for validity an experiment must test the various quotas under ordinary conditions in the agency, which would mean that the workers would exert no more or no less effort than usual. Clearly, if workers with higher quotas exerted special effort during the experimental period, a picture of what would occur during normal operations in the agency would

not be obtained. The question of whether the pace at which workers normally operated should be raised or lowered was beyond the province of the experiment.

In spite of the fact that the importance of maintaining a normal rate of work was emphasized in both oral and written instructions to the workers participating in the experiment, observations revealed that workers with the higher quotas were working harder than usual. Evidence of inability to make the adjustment necessary to handle at their usual pace the increased volume of work was brought out in interviews with the workers. In one extreme case the nervous reaction of a worker attempting to maintain the highest standard of performance was such that it seemed best to remove him from the experiment because of possible consequences for his health. An analysis of the situation indicated that there were four principal factors that tended to produce abnormal effort on the part of workers with the higher quotas.

1. Each social worker was dealing with human beings, and it was his natural reaction to have more concern for the concrete problems of an individual client than for an abstract notion of an experiment. A social worker is attracted to that profession largely by the opportunities it affords to alleviate distress; the natural sympathies of the worker, crystallized by the customs and traditions of the social work profession, tend so to dominate his action that concern for the welfare of the relief recipient will outweigh formal instructions "not to work too hard." Therefore, when a worker's quota is doubled or tripled, it is natural for him to continue to exert every possible effort to aid the client and hence to work at a pace that could not be maintained over an extended period.

2. A second factor was the desire of workers to maintain the standards that were customary in the social work profession. An employee's attachment to his own particular

job leads in turn to a "conditioned" reaction pattern centering around his trade or profession. When he has time and sufficient information to make a carefully reasoned decision, that decision will reflect values and objectives derived from his attachment to his profession; when there are not the time and data for a rational decision, a worker will tend to react in terms of the "accepted" standards of performance of his profession. The workers participating in this experiment were accustomed to a particular standard of work that was considered satisfactory by the social work profession. Since their loyalties tended to adhere to that profession, there was a strong reluctance to alter the quality of performance if it would conflict with their notion of established professional standards.

3. Similarly, the attachment of workers to the agency, their organizational unit, and their supervisor led to the formation of reaction patterns consistent with previous agency policy. The influence of supervision was an especially important factor in the maintenance of standards of work. In one of the districts of the S.R.A. experiment, for example, the district supervisor was a particularly effective leader and had earned the unqualified respect and trust of all employees in the office. Because of the loyalty of the staff, this supervisor had been able over a period of time to raise the standard of work in the district to a high level. The workers in this district were proud of its reputation for excellent work and were not easily persuaded to relax their standards for the sake of an experiment.

4. There were several personal factors which also conflicted with the necessity that workers with high quotas lower the standard of their work. Such an adjustment was difficult to reconcile with the worker's desire for advancement, and perhaps appeared to him a denial of his opportunity to demonstrate his ability to his superiors. The most pressing personal conflict was fear or sense of insecurity of the workers. In addition to a hesi-

tancy to relax quality of performance for fear of being branded inefficient, there was the more definite possibility that any work performed during the experiment might be turned against the individual worker when there was some future occasion for evaluating his work.

Preventing a Speed-up

IN ATTEMPTING to overcome the influence of the factors mentioned above so that workers would maintain a normal pace during the experiment, several steps were taken.

In order to influence the workers to diminish the amount of attention given to each client when more clients were assigned to them (item 1 above), an attempt was made to appeal to the motive of concern for *clients* in the plural. It was pointed out that it would be to the best interest of the clients if the workers were able to make the necessary adjustments in their work, for the experiment was providing a scientific test designed to determine the most efficient quotas. Similarly, in attempting to neutralize the hesitancy of workers to adjust work standards because of conflict with professional (item 2) or agency (item 3) standards, the appeal was made that the welfare of the social work profession and of the agency would be promoted by the experiment, and that the workers would be doing the greatest good for their profession and agency by making the adjustments in their work that were required in the experiment.

In dealing with the workers' fear and insecurity (item 4), every attempt was made to assure them that no evaluations of their work would be made during the period of the experiment, and that no work performed during the experiment would be held against them at any time in the future. This assurance was at first given orally to the workers, but when they expressed a fear that this agreement might not be understood by future officials in the agency, an administrative order was prepared and distributed which gave written protection to the

workers. As an added assurance, workers were permitted to enter at the end of the dictation for every case record a note that the work was done during an experiment. Although these precautions may seem exaggerated, they were necessary to remove any doubts from the workers' minds that work performed during the experiment would not be charged against them professionally.

These steps had a considerable effect in overcoming the hesitancy of workers with high quotas to lower the standard of their work in order to meet the quotas assigned to them. However, the most effective means of control consisted in appealing to a conflicting motive in such a way as partially to counterbalance the tendency to increase work pace. The motive employed was that of the personal—and perhaps selfish—interest of the workers in the results of the experiment. The majority of the workers participating in the experiment hoped that the study would establish the superiority of lower work quotas, for they felt that the lower quotas would enable them to provide better service to recipients of relief and would involve more favorable working conditions for themselves. It was pointed out to them that the workers with higher quotas were introducing a bias in favor of those quotas by working harder than were workers at lower quotas. When the workers and supervisors in the experimental districts realized this, there was a noticeable change in their reactions and attitudes and the work pace returned to normal. The final action spring which induced the workers to adjust their work to a normal pace was the realization that it was to their best interest and the best interest of their clients and the agency to resume their usual rate of work.

This device, while a powerful one, was likewise dangerous. If the workers were too clearly aware of the effect which a changed work pace would have upon the results of the experiment, there would be a strong impulse to manipulate those results. Manipulation of this sort is perhaps the most serious

difficulty that faces a time-and-motion expert who is seeking to set standard times for operations in an industrial plant. In the S.R.A. study, this danger was mitigated by the strong complex of motives operating in the opposite direction. As a result, the motives making for a high work pace tended to counterbalance the motives making for a low work pace, and something like the normal pace resulted. Observation of the workers after the adjustment had taken place indicated that this balance had been substantially achieved. If there was any departure from a normal pace it was upward rather than downward for the workers with a high quota.

Need for Training Workers

AN ENTIRELY distinct factor that proved an obstacle to the maintenance of normal operating conditions in the experimental units was that the workers with the lowest quotas found difficulty in adjusting the standard of their work upward so as to make full use of their time. Because they had become conditioned to a certain level of performance, workers who were assigned low quotas during the experiment tended to maintain only that level of work, whereas they might be expected to increase the amount and quality of attention given to each case when their quotas were reduced. This problem arose largely because the workers were accustomed to certain procedures for handling each case and found it difficult to interrupt their routine by introducing additional services. In some instances the workers were at a loss as to what to do with the extra unit time per case which their lower quotas allowed. In these instances, supervision was necessary to point out extra duties that should be performed by the workers.

A more effective remedy for this situation would have been to precede the experiment with a period of in-service training designed to stimulate the workers by pointing out avenues into which extra efforts could be directed.

General Environmental Factors

MANY of the psychological factors that enter into an administrative experiment affect equally all of the experimental units. This is especially true if all of the units are located in the same building or office. In the S.R.A. study variations in performance caused by such factors as the type of equipment used, office space, light, heating, ventilation, or the weather, were minimized because all of the experimental groups were operating under the same conditions.

Similarly, many intangible psychological factors presumably applied with equal force to all of the experimental units. However, bearing in mind the experiment's task of simulating actual working conditions and predicting performance under those conditions, it is not permissible to ignore these variables. Although such factors may be equalized, unless they are equalized at a level that will approximate actual operating conditions, there is no assurance that the results of the experiment will apply under normal conditions.

For example, there are such factors as morale and the sincerity and interest of workers participating in an administrative experiment. Clearly the reliability of an experiment in administration is greatly dependent upon the interest and cooperation of the workers themselves, for without their active support valid results are impossible to obtain.

The average worker in any shop or office is too much concerned with the pressure of his own job and the duties it entails to become vitally interested in an experiment that is being imposed upon him. Yet since an experiment is dealing with a normal cross section of workers, it is necessary to "sell" the workers on the experiment being conducted in order to prevent their lapsing into a state of hostility and noncooperation toward it. To this end, workers in the S.R.A. experiment were given a series of talks to explain the purposes and importance of the experiment in which they were par-

ticipating. It was found that they were particularly receptive to an explanation of the significance of the study given by an individual outside the agency whose prestige and reputation were very high with them. Undoubtedly these explanations and discussions of the methods, purposes, and significance of the experiment stimulated the workers and brought out a degree of cooperation that could not otherwise have been expected.

During the actual conduct of the experiment there were several occasions when conditions in the agency outside the control of the experiment were in a turmoil, and the uncertainty about the future had a noticeable effect upon morale throughout the agency. With rumors of impending dismissals and reorganizations running rampant, workers were not able to work normally and their fears and anxieties led to carelessness and indifference toward their work and the experiment. In this situation meetings of the experimental workers were called, and they were assured both orally and in writing that because of the importance of the experiment there would be no changes in their office until the conclusion of the study. The result of these assurances was heartening, for as the workers realized that the experiment was saving them at least temporarily from the upheavals that other offices were experiencing, their attitude became extremely favorable toward it and they made every effort to give the fullest cooperation to those directing it.

Value of Experimentation

THE S.R.A. study demonstrates again, as experiments in the private management field have previously demonstrated, that the experimental method can be a powerful research tool in administration. To be sure, the administrative experiment involves difficulties which are not found in the natural sciences. But if the difficulties are greater, so also is the need. Within the realm of the administrative sciences lie the gravest problems which face us today—the problems of

human organization. No tool can be neglected which has proved its value in studying these problems.

Aside from its contribution to administrative theory, the administrative experiment can be justified in terms of dollars-and-cents results. The S.R.A. experiment, for instance, cost the agency about \$15,000. The

saving which it was estimated would result from adoption of the recommendations of the study was more than \$80,000 per month. Even the partial adoption which the agency found possible within the statutory financial limitations under which it was operating undoubtedly repaid the cost of the study several times over each month.

Reviews of Books and Documents

The Transition to Total Defense

BRITISH CITIES AT WAR, by JAMES L. SUNDQUIST. Public Administration Service, 1941. Pp. vi, 110. \$1.00.

THE foreword of this report of the American Municipal Association carefully defines its limitations thus:

This study has been written to indicate the effect of active warfare on British cities, both those that were systematically bombed and those that were not, and to show how their local civil defense arrangements and their ordinary services worked in a crisis. . . .

The author was obviously not in a position to attempt any appraisal of the quality of the British civil defense efforts. He has merely tried to bring together information that indicates the administrative problems with which British officials were faced and the measures by which they attempted to solve those problems.

Subject to the limitations which the use of secondary sources imposed on the author, the study is an extraordinarily valuable document. Had the author attempted to develop in detail the evolution of the civil defense structure, of the precautionary civil defense measures, or of air-raid incident services and the relief of air-raid victims, he would have needed several volumes.

For American students of political science and public administration who are familiar with the structure and the relationships of the British local and central government, the report should prove especially valuable. For those who are not possessed of this background of knowledge, the interplay of national, regional, and local responsibilities is apt to be confused rather than clarified by a presentation of this kind, especially one which so studiously avoids an appraisal of the quality of the civil defense effort.

On the other hand, the author has achieved an exceedingly fine perspective concerning the underlying problems as they relate to the individual services involved. On the whole his selection of source material has contrived to present a quite well-balanced series of snapshot views of the various aspects of the civil defense program. For example, the author,

while confining himself in general to professional and technical publications, departed from this rule to draw generously on the writings of Ritchie Calder, science editor for the *Daily Herald*, whose reporting and interpretation of blitz and post-blitz conditions from September 1, 1940, to June of this year has been an unparalleled journalistic achievement. Calder's reporting was penetratingly accurate and graphic. I dare say it was one of the influential factors in bringing about a correction of the deficiencies in the civil defense program, particularly as related to the care of persons after the blitz. This is mentioned as one of the numerous illustrations of discrimination in the selection of source material.

The principal shortcoming of the report is that, like the publications on which it draws, it tends to miss the central fact concerning the British civil defense program. The reader is likely to be left with the impression that the business of civil defense is that of recruiting and training personnel; building and equipping air-raid shelters, casualty stations, and rest centers; acquiring enough fire-fighting units and ambulances; and having available services for the care of people after the raid, such as communal feeding, rehousing, and cash grants. All of these are elements, but they are no more than that.

The civil defense program must be visualized in a unitary way on a national scale. It is not surprising that the author has not emphasized this, for even at this late date that important fact has not been generally realized. It was realized by few indeed until repeated air attacks on London and provincial cities finally brought it home.

In this connection, the title of the report itself, *British Cities at War*, is rather significant. There is an implication that each city deals

with air attacks by itself, aided in some rather remote way by the central government through regional commissioners. That actually describes the popular concept about civil defense in Britain when it was first taking form at the time of the Munich crisis.

For the large majority of people, even of public officials, "civil defense" in 1939 had a different significance than it now has. It was actually called by a different name—"Air-Raid Precautions"—and was narrowly defined. Most people thought of civil defense in terms of the spectacular services of air-raid wardens and decontamination squads; of gas masks, steel helmets, and shelters; of debris clearance, demolition, and the repair of utilities; and of an adequate system of communications, staffing, and the training of A.R.P. personnel.

The 1939 concept of civil defense was based on the supposition that air attack would be in the main confined to daytime raids of relatively short duration but of terrific intensity. The concept included the evacuation from likely target areas of children, expectant mothers, and, to some extent, the aged, blind, and the physically handicapped. It had been contemplated that in the first month of attack London would suffer daily losses of 3,000 killed and 12,000 casualties day after day and that attacks might be directed simultaneously at a number of different target areas.

Accordingly it was believed that the A.R.P. services should be organized in each community in such a way as to enable the community to stand on its own feet in matters of defense as far as possible, the central government and the regional commissioners expediting supporting assistance as needed. It was planned that each county borough and each county should be the "scheme-making authority"; i.e., the local government which would plan and organize the civil defense structure and would recruit staff and train its civil defense forces. Thus each community would decide on its own policy on everything from air-raid shelters to the organization of its casualty services.

Each local plan, however, was developed according to general criteria laid down by the national government and was subject to the approval of the regional commissioner with regard to the primary A.R.P. services—those of the fire-fighters, police, air-raid wardens, rescue parties, decontamination squads, and others. So far so good.

Since the central government, through grants-in-aid, had undertaken to pay from 70 to 90 per cent of the cost (based on a formula varying with the resources of the community), the regional commissioner could exercise a large measure of influence in the development of the plan. However, because of the great emphasis on the responsibility of the local "scheme-making" authority for A.R.P. arrangements and since the financial approval device was a negative instrument, his influence and, to a great extent, his results were negative in character.

As for the "post-blitz" personal services, such as the casualty services and communal feeding, approval of plans and the payment of grants-in-aid were accomplished through other departments, such as the Ministry of Health and the Food Ministry. Thus there tended to be a diffusion of responsibility and an endless variety of A.R.P. machinery and plans, varying with the vision, the vigor, and sometimes the whim of the local authority.

How has this 1939 concept changed, and what was the picture of civil defense in August, 1941, after a year's experience of heavy air attack? It can now be seen that civil defense, under the conditions faced in Great Britain, must be viewed as a national program, developed on the basis of a comprehensive strategic plan; that the program must be planned, organized, and coordinated at the national level; and that responsibility should be clearly defined. There is a certain analogy between the planning function of the national civil defense agency and that of the army general staff. This agency must develop plans, conducting and correlating scientific research whenever necessary, for all phases of civil defense; it must set standards for local performance and supervise and coordinate local administration; and it must establish liaison with all related civil and military departments of the national government and be responsible for the coordination of their work.

It has been learned that when the attack comes, its effects will be felt over a wide area. After sustained attack, in a certain sense every member of the community is a casualty. Aside from the destructive and dislocating effects of the bombing itself to property, highways, and communications, the efficiency of the A.R.P. personnel is bound to suffer badly. This is

another reason why general control of operations must be the responsibility of an official whose area of operations is large enough to encompass the industrial area under attack and the surrounding territory likely to be in the zone of blitz or post-blitz operations. The extent of this area will vary with the particular conditions existing in the specific area. This operational officer (under the authority of the regional commissioner) must be able to move mobile emergency forces from the strategic locations outside the immediate target city and deal with the kind of voluntary evacuation that will take place if the attack is continued long enough.

It is not sufficient for the regional commissioner to be responsible for operational control over a wide territory only after the blitz has struck. He should have a large measure of responsibility for the pre-blitz arrangements. Moreover, the 1941 concept recognizes that at least half the battle in a civil defense program is the adequate provision of emergency social services immediately following the blitz and their complete and effective coordination. Thus has the British concept of civil defense been altered by events in 1941.

Finally, there is the matter of information. This transcends all other post-blitz problems. Stated in its simplest terms, John Citizen must be able to find out quickly what the community can do to help him meet the countless problems that he will have the next morning, and be directed to a center where representatives of the various social services will deal with his needs promptly, generously, and with understanding. This sounds simple, but, as any resident of a large community will see upon reflection, it is extremely difficult to accomplish because the multiple services are scattered among public and private agencies and the public services among the various levels and departments of government.

As Mr. Sundquist points out, the difficulties of coordinating local agencies led to some talk in Great Britain of unifying the emergency services in a regional structure under professional military direction. Mr. Sydney Larkin, City Treasurer of Coventry, is quoted as writing before his city was attacked that "the A.R.P. services should not have been placed on local authorities—it was good neither for the authorities nor for the services." Mr. Sundquist com-

mented that "if the parliamentary planners of civil defense had organized it on a centralized, military pattern, the outcry against the violation of tradition would doubtless have been at least as strong as were the complaints voiced by Mr. Larkin and the pattern would surely have caused novel and perhaps insoluble administrative difficulties of its own."

PERHAPS the parliamentary planners of civil defense avoided the centralized military pattern because of concern about the violation of tradition and charges of dictatorship, but up to a point events have justified the planners' judgment, for administrative reasons alone. It is now clear that all the ramified branches of the local government are affected directly and drastically by blitz conditions. In the case of a military attack in land warfare, as for example on Smolensk, the matter is settled by placing the town under martial law and suspending the ordinary operations of government until the active military period is passed. In the present kind of aerial warfare the attack is sporadic and, except in the case of the London area during September and October, 1940, the attacks tend to be separated by long periods of quiet during which more or less normal civilian activities go on. One could hardly suppose a condition wherein the military would take over from the civil authorities just for the period of the blitz and the period that immediately succeeds it. The resulting dislocation of municipal services would more than offset any gains from the greater efficiency that might be obtained during the actual raid. Moreover, it has been argued with some force, and I think justified by the British experience, that if in such cases the situation were to collapse while in military hands, there would be a much greater tendency to panic on the part of the civilian population than there is when the responsibility rests on every last man in the community.

What is meant by the statement that the parliamentary planners were justified by events as to this basic plan *up to a point*? Just this: the recurrent shift from conditions of quiet to a sudden crisis makes it hard to secure the central-local balance that is most desirable, that is, a large degree of responsibility in planning and operational control resting with the national authorities and the regional commissioners, but primary authority for initiating the plan

and providing for staffing and routine administration remaining with the local authorities. The successful maintenance of this balance calls for extremely skillful handling on the part of the regional commissioner or his counterpart. I believe that later British experience has demonstrated that this balance can be achieved. It adds up about this way: that the plan should call for a single national agency generally responsible for the planning and coordination of the many departmental functions that contribute to civil defense; that under this agency a regional commissioner (or his equivalent) should supervise for his entire region both the pre-blitz planning and the blitz and post-blitz operations; that he should exercise his authority as lightly as the situation requires at any given time; but it should be clear that it is not only his right but his duty to assume command of the situation whenever necessary.

The achievement of this result in England has been hindered by the traditional attitude of both the national ministries and the local authorities. The present government has argued in the House of Commons against the creation of a Ministry of Civil Defense, implying that it would be undesirable to disturb the existing relationship between local authorities and the various ministries that supervise local government. Yet the irrefutable logic of events has brought about the important changes referred to above. Sometimes stubborn resistance to the inevitable has resulted in needless loss of life and property. Similarly, as *British Cities at War* indicates, local authorities have complained of the supervision which regional commissioners have exercised over them, denouncing the delays involved in dealing with the commissioners and, through them, with Whitehall. The regional commissioners undoubtedly have been responsible for some delays and guilty of some indecision, but in general they have been a miracle of dispatch by comparison with the unwieldy councils of the local authorities. Since the first crisis period there has been a tendency for the local authorities to supersede their own emergency committees, to which for a time they delegated the power to take quick and efficient action. In some instances local authorities returned to their clumsy system of functional committees. A typical set of minutes of a single committee of a municipal council

(covering a period early in 1941) shows clearly how administrative initiative is frittered away while committee members talk at length about such trivial details as a raise in salary for a minor clerk or the approval of the purchase of a typewriter. This lack of vigor and coordination at the top of the municipal structure severely hindered city after city in dealing with the problems of a blitz during the early days.

A partial step toward coordination was taken, of course, by the designation of an A.R.P. controller, usually the town clerk. Here, too, however, the typical local authority was handicapped by a traditional procedure and attitude. It is the duty of the A.R.P. controller to assume the position of command during a blitz. This function is apt to call for actions and attitudes which are inconsistent with the town clerk's normal relationships with other department heads. It is hard to treat a group of men as subordinates and command them in summary fashion one day, when you know that you will have to negotiate with them as equals the next. A town clerk may frequently shrink from full command in an emergency or contrariwise may overdramatize his new duties at the expense of his normal relationships and thus invite resentment and resistance. The frequent lack of initiative of local authority officials was often matched and heightened by the negative attitude of the national ministries in their supervision of the expenditure of grants-in-aid. The supervisory authorities set standards far too low on the purchase of equipment, and many an ambulance driver or utility engineer, working over a broken-down machine during a blitz, was amply justified in cursing the pinch-penny attitude that had given him inferior, secondhand equipment.

There is no way to calculate the amount of misery caused in Great Britain by underestimation of the difficulties of civil defense and the necessity of unified command. Foresight was especially lacking in the location, staffing, and housing of the regional commissioners' offices. If the regional offices of the various ministries whom the commissioner was supposed to coordinate had been placed under the same roof with him, it would have been far easier for him to get their cooperation by persuasion and voluntary planning, but arrangements were made too late, office space was hard to find, and regional officers who should have worked closely

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British Cities at War, by quoting from British technical journals, noted the division of supervisory authority among various national ministries, their regional officers' lack of initiative and of full responsibility, the anomalies in local government areas, and the weaknesses in the executive structure of local governments. All these deficiencies, none of which is peculiar to Great Britain, add up to a tragic total when tested under blitzkrieg conditions. It would have been difficult to convince the homeless and shellshocked people who could be seen wandering the streets of London, Coventry, Plymouth, and Southampton during

the earlier blitzes that democracy depended on the preservation of local municipal boundaries or was helped by assigning the post-blitz services among scattered and poorly coordinated services. Sometimes it seemed that a departmental rule or a Treasury restriction or an order of the local council was sacred writ for officialdom. The people of Britain have proved that they can "take it"; numberless civil officials have proved themselves heroes under the conditions of military action; but both could have been spared so much if there had been more foresight and imagination—and less penny-pinching—in planning the kind of total defense that is needed against total war.

ERIC H. BIDDLE

State Laws in a National Program

STATE LEGISLATION FOR BETTER LAND USE. A Special Report by an Inter-bureau Committee of the United States Department of Agriculture. United States Government Printing Office, 1941. Pp. xix, 122. 30c.

THIS is the fifth in a series of special reports to the nation prepared by the United States Department of Agriculture. It is a report to which many representatives of the various bureaus of the department have contributed from their years of experience in seeking to improve the use of rural lands. Urban land-use problems are not considered.

Present-day maladjustments in land use constitute a dramatic example of the consequences of lack of foresight and planning, of our unwillingness to practice conservation until it was forced upon us. Of the nearly two billion acres of land in this country, more than 1,300,000,000 were owned by the federal government at various times. However, private ownership of land has all along been the ideal of the United States, and the very size and extent of the public domain encouraged exploitation in the belief that the country's land resources were inexhaustible.

If private ownership of land was a basic concept, a corollary was the freedom of the individual to decide upon the use of his land without regulation by government. It was thought that maximum production and automatic conservation would follow.

Fundamentally, we are still dedicated to these principles. At the same time, we are

coming to realize that some lands more properly belong in public ownership and under public management, and that some restrictions on the free use of land are desirable. We have been forced to recognize that public interests are superior to those of the individual, that the state has the right to regulate land use in the interest of the general welfare.

The need for planning, however, was not realized until much of the damage from lack of planning had already occurred. Nowhere is this better illustrated than in our utilization of land. Decades of uncontrolled urban growth and development preceded the initiation of city planning. More than two centuries of soil mining and land exploitation took place with only an occasional voice raised in protest. Now we know the true meaning of Ambassador J. J. Jusserand's words, which he spoke in 1905, "In France, we think much about tomorrow because we have known so many yesterdays."

Among the agencies which have for many years been working for better use of rural lands the United States Department of Agriculture has been the leader. Under our federal system of government, however, progress toward wiser utilization of our land resources requires the cooperation of the state and local governments. The several states are sovereign except as spe-

cific or implied powers have been delegated to the federal government by the United States Constitution. In turn, the local governments possess such attributes of self government as have been granted them by the states.

Because of the nature of our government, state legislation is necessary to give effect to a program for improving land use. In recognition of that requirement, this report has been prepared to guide the states in drafting and enacting desirable legislative measures. The purpose of the report is given in the introduction in these words, "The main burden of this book, therefore, is to discover the most significant of the land use legislative programs to which States and localities have given their attention." In his foreword, the Secretary of Agriculture, Claude R. Wickard, expands on this purpose and says that the report is designed to answer the following questions: "What are the outlines of the problem that has led the citizens of certain areas to take action through government? What are the main provisions of the statutes so far adopted? What considerations pertaining to policy, constitutionality, administrative efficiency, does this experience show to be pertinent to the drafting of a satisfactory statute?"

Eight major land-use measures are considered in the report: a rural zoning enabling act, a group of statutes to promote efficient and conservation use of water, soil conservation legislation, improvement of farm-tenancy law, a statute or statutes providing for structural revision of local government, legislation to simplify delinquent tax collections and to provide for land acquisition by the state and county, provision for the purchase of land by the state, and statutes setting up an organization for the management and development of state and county lands. Not all of the legislation suggested will be necessary to meet the land-use problems of all the states. Varying combinations of the measures will be applicable to differing situations throughout the country. The report does not discuss a ninth item, legislation for the proper utilization of privately owned forest lands, since a joint congressional committee is making a comprehensive investigation of this subject.

In general, the discussion of each of the eight measures includes an explanation of the problem, followed by an examination of state legis-

lation so far adopted. Finally, consideration is given to what should be included in revisions of existing legislation or in new statutes. Each of the chapters was prepared by a different subcommittee. While each subcommittee followed the same general method, there is some difference in the comprehensiveness with which the subjects are treated. Particularly is this true where the report discusses not only legislative measures but also the administrative aspects of land-use planning. A considerable part of the report's value lies in the fact that administration as well as legislation is considered.

From the standpoint of the states, especially those state agencies charged with the formulation of land-use programs and preparation of the necessary legislation, the more detailed the treatment the more helpful it will be. As a matter of fact, samples of adequate legislation would have been useful. Of course, the report points out that "copying of legislation from State to State may have its pitfalls; the first statute that happens to be adopted on a particular topic may not be an adequate version of the necessary law. On the other hand, no model law is likely to be suitable in all of its provisions for a particular State. . . ." There is no denying the logic of these statements. Still, many states have neither legislative councils nor bill-drafting bureaus. In some instances, the legislation must be prepared by "laymen" if it is prepared at all. In such cases, it is easier to adapt a model law to the peculiar conditions of the state than to draft an entirely new statute.

Because it makes for clearer understanding and because most state constitutions limit legislation to a single subject, each of the major land-use problems is taken up separately. However, land-use problems rarely, if ever, exist in isolation, so a ninth chapter has been included in the report which discusses the "Interrelation of Measures Affecting Land Use." The theme of this chapter, and really the theme of the whole report, is set in these words: "Most actual land use problem situations require a program of related measures to meet the related problems of the area. In such cases, analysis of the problems of the area can be followed by selection from among available legislative tools of just those tools designed for work on the particular difficulties indicated by the analysis."

Examples of problem areas are taken up to show the applicability of the various legislative measures discussed in the report. Included are an older forest cut-over area as found in the northern lake states, a grassland-farming area of overexpanded crop cultivation as found in the northern great plains, a distressed irrigated-grazing area as found in the intermountain region, and a highly unstable tenancy area as found in the cotton belt. The report concludes by pointing out that certain of the measures should always be used in combination. Thus, zoning is complemented by submarginal land purchase; zoning, management of public lands, and changes in the structure and function of local government are also necessary for a complete program; provision for the acquisition of tax-delinquent land must be accompanied by measures for the proper management and development of public lands.

In the final chapter, two administrative techniques for promoting coordination of measures in the treatment of land-use problems are suggested. The first of these is "grouping certain related functions or agencies under one administrative head." That is generally regarded as a sound principle of governmental organization. The trouble is that the usual land-use problem is a complex of so many related factors that the principle is difficult to apply. This fact is recognized by the report and does not prevent the integration of as many functions as possible.

The other coordinating proposal is "cooperative planning by agencies operating in the same territory." Expanding on this technique, the report goes on to say that, "Cooperative land use planning—by community, county, and State committees representing the respective agencies together with representative rural people—holds the key to this situation."

Such committees have already accomplished excellent results in many cases. Usually, however, they are primarily concerned with the agricultural use of private lands. Even if their activities are broadened by including as members representatives of other interests, the committees still remain more or less unofficial agencies with all of the difficulties implied by such status. As an alternative, it might be possible to make use of official planning agencies already established at the three levels of government. At the national level, there is the National Resources Planning Board. Most

states have state planning agencies. The number of local planning agencies is rapidly increasing.

Fullest use of these planning agencies is not being made. Possibly the fault lies with the planning agencies themselves. In the development of comprehensive land-use programs with due consideration for all related matters, however, they should be on sure grounds. They would be dealing with the two basic factors in all planning, man and land, and with the fundamental planning relationship, the relation of man to land.

There is also a strong possibility that the best way to solve the problems of land use is through regional authorities, such as the Tennessee Valley Authority, which has been outstandingly successful in developing techniques for securing state and local cooperation. Certainly the work of that agency in regional planning for the entire drainage basin has already demonstrated the value of this type of organization.

One factor should not be overlooked. No matter what plan is developed or how it is administered, a program for the improvement of land use is going to involve the expenditure of money. Zoning must be done by local governments, but it requires detailed studies and effective administration. Where rural zoning is most needed, the local governments are usually not able to provide the necessary money. Similarly, soil conservation measures may prove too costly for individual land-owners and local governments. State and federal funds will have to play an increasingly larger part in the land-use program. The urgency of the problem may even lead to some adjustment in constitutional restrictions and traditional prejudice against the expenditure of public money on private lands.

The Interbureau Committee of the United States Department of Agriculture has made an important contribution to the improvement of land use by this exposition of outstanding problems, by providing a guide for state legislation, and by suggesting the need for and means of coordination. For those who would pursue the subject further a bibliography for each of the major problems is included. The report furnishes a blueprint for a program of action. The states should cooperate by providing the needed legislation.

D. W. EAGAN

A Handbook of Managerial Experience

MUNICIPAL MANAGEMENT, by THOMAS HARRISON REED. McGraw-Hill Book Company, 1941. Pp. xii, 665. \$4.00.

THIS is a "must" book for municipal administrators. It might properly be called the municipal administrator's handbook, with the qualifying statement that the author deals with the managerial rather than the technical aspects of municipal problems. Mr. Reed's central thesis may be briefly stated as follows: "There is, however, a growing realization that training as well as experience is necessary to the highest success in most aspects of management. There is a constantly increasing body of knowledge concerning the practice of management—the accumulated experience of others—that can be transmitted to those preparing for that profession. . . ." To one who has been engaged in municipal management for the past fifteen years, this book is so practical, and so meaty, that it reads like the daily diary of a mayor or a city manager.

After an introductory section on types of organization, the 665 pages of comprehensive discussion deal with four subjects: basic administrative relationships, financial management, other staff activities, and management of operating services.

As one reads the chapter dealing with the development of municipal activities, there comes to mind this question: Can local governments, within limits, choose or determine their type of inhabitants? Starting with zoning, city planning, the power of annexation, laws regulating industrial growth, and city policies which may or may not encourage the influx of industrial and commercial organizations, it would be interesting if the author, drawing upon his extensive survey experience, would in some later article let us have the benefit of his observations upon this subject.

In his introduction, Mr. Reed discusses very briefly the various types of local governmental organization. Emphasis is placed upon the fact that government at the local level will, in a large measure, be responsible for a continuing faith in American democracy. The average citizen has little personal contact with government at Washington or with his state capitol. To him government is represented by the schoolteacher, the policeman, the garbage man,

or the treasurer at the city hall who periodically calls upon him to make his contribution for their services.

Though many look upon municipal management as an art or a science (depending on their degree of enthusiasm) which should in no way be connected with the party politics of the state and federal government, no one can take exception to the author's statement, "Thus good municipal management becomes in a very real sense the keystone of the whole structure of American democracy."

Without detracting from the excellent work which Mr. Reed has done in the other sections of his book, his section on basic administrative relationships is the most interesting and most important. Here are discussed the "inners" of municipal government. The operating, personnel, and financial problems of local government lend themselves more readily to a factual and impersonal approach, but in dealing with the council, the public, department heads, and other governmental units, the municipal administrator can, with deep feeling, exclaim "Ah! there's the rub." These are the relationships which, in a large measure, make or break an administration or an administrator.

In discussing the relationship of the executive to the public, a brief reference is made to "principles of behavior for all executives." Here the statement is made that, contrary to general belief, there is little chance of improving public relations by public speaking. To this statement exception must be taken. Whether we approve or not, it is a fact that in a substantial measure the public's attitude toward an administration revolves around personalities. The most effective way to form an opinion of the sincerity and, shall we say, knowledge and ability of the administrator is to have the opportunity to meet him face to face and have him explain in a dispassionate, factual way what is being done in the city hall, and what it is planned to do. This is the hard and a somewhat limited way of informing the public, but in our opinion it is the way that brings the largest degree of return. If questions have been discussed face to face, open and aboveboard,

and the administrator has answered questions fully and freely, it has been our experience that almost invariably the relationship between the administrator and the public becomes improved even though opinions on particular issues may not be changed. On highly controversial issues of policy and during campaigns the author is undoubtedly correct in his statement with reference to the city manager: "It is wiser . . . for him to remain in the background and let the governing body take the brunt of the battle."

The discussion of the "relations of appointed executives with councils or boards" is one which might well be read and reread by even the oldest and most experienced managers. It brings to mind the advice given to a young and enthusiastic aspirant as he tackled his first job by a wise manager speaking from deep personal knowledge: "Don't try to rush your council. At the end of my first year I found myself so far out in front of the council that my usefulness was being seriously impaired. For a year I literally sat and twiddled my thumbs, as far as new ideas were concerned, until the thinking of the council caught up with me."

There is another point which the author touches and which should be stressed, though it may cause a raising of the eyebrows on the part of the more orthodox managers. City councils have to be elected. There may be other methods for obtaining legislative bodies, but they are certainly not democratic methods. Since councils are elected, it means that every councilman, good or bad, is constantly weighing in his mind his actions and their relation to the public mind, as he judges the public mind to be. A city manager, by his conduct, can materially smooth the path of the councilman running for re-election, and this can be done without sacrificing the principles of good administration or the ethics of his profession. In this connection the following quotation from the author is good common sense: "If one desires to practice successfully the art of municipal management, it will not do to forget the arts and devices which are necessary to getting and keeping an office and to the achievement of results which require the sanction of public opinion. The management of a city . . . necessarily includes the management of constituents and patrons. . . . It is to be regretted that some of our best academic minds have never grasped

this simple truth. It is even more surprising, and equally regrettable, that so many of the so-called 'practical' business and professional men who enter municipal politics also fail to realize it. Their own success . . . has depended to a large degree on conciliating their fellow men and mastering their environment, but they do not see how the same principle applies as truly to municipal administration."

In the chapter dealing with department heads, among other items are discussed the need for flexibility in administrative organizations and in the number of department heads whom an administrator can effectively direct. A very sensible statement is made that "similarity of method rather than similarity of purpose" should be the determining factor in the grouping of activities by departments.

In the last chapter in this subdivision of *Municipal Management* the relationship between local government and other governmental units is discussed. During the last several years the relationship with the state and federal levels has become very important. In fact, in the opinion of the reviewer state and federal penetration into the field of local government, with all its implications, constitutes one of the most serious problems today affecting the local administrator. With the wisdom of a David Harum the author remarks that "gift horses should be looked in the mouth."

Because of his numerous surveys it is to be expected that Mr. Reed would be interested in the relation of local government with the metropolitan area surrounding it. This is a field to which the usual local administrator has given less attention than it deserves. The rising cost of government with the constant demand by the public that some method be found to meet this condition may force, within the next two decades, a considerable regrouping of local governmental functions as they are affected by "metropolitanism."

Unfortunately many councils, and often the public, are more interested in the appropriation of money to improve the physical activities of the city than they are in making appropriations for improving staff agencies. It has undoubtedly been the experience of many municipal administrators that it is easier to get an appropriation of \$100,000 to improve a street or build a sewer than \$1,000 for a financial or per-

sonnel study. Yet to those who are interested in raising the whole level of local administration, the degree of effectiveness of staff agencies is more indicative of the fundamental quality of government than are the more visible and popular indices which are given by the line organizations.

The organization of a modern, comprehensive finance department is discussed in some detail by the author. In addition to the two commonly accepted divisions of accounts and of treasury, there are also included the division of the budget, the division of purchasing, and the division of assessment, though it must be admitted that there are some who would take exception to placing one or more of these activities within the finance department. A very balanced argument could revolve around the question as to whether or not the budget officer should be attached to the department of finance or to the office of the chief executive. Again there are many who would reason that the division of assessment might well have some other place in the municipal organization.

The fresh, practical approach of the author to municipal problems is illustrated by the discussion of the importance of the tax exempt feature of municipal bonds which appears in the chapter dealing with the creation and management of debt.

In addition to the items usually discussed under the general heading "management of personnel," it is interesting to find some thought given to pre-entry training, in-service training, and organization among local governmental employees. If municipal administrators were wise they would adjust their thinking to realize that organization among government personnel is an accepted fact. There are still many administrators of local government who on this point are like the proverbial ostrich. If handled with discretion and understanding, there are many employee problems which can be more satisfactorily adjusted through group representation than through dealing with individual cases.

Another staff agency to which considerable importance is attached is that of research and planning. The author very rightly points out that the weakness with planning in the past has been the lack of implementation. "What is needed is not so much a reorganization of the planning authority . . . but a reorientation of

planning in the scheme of local government. . . . Its principal point of contact should be with the executive." In addition to giving its attention to planning from a capital point of view, the planning and research agency should also, as an arm of the executive, engage in a constant analysis and examination of governmental procedures. The reviewer recently read an article by a distinguished author in which the statement was made that "government must constantly be tinkered with to be kept up to date." While one may not agree with all that this statement implies there can be no question that Mr. Reed is correct in the emphasis which he places on the need for research and planning in the governmental structure.

In his first four sections the author concerns himself with the chief administrator's problems growing out of staff activities and his relation with the public, the governing body, and other governmental agencies. In his fifth section he turns to a consideration of the operating departments, the field with which administrators are most familiar, and the one which has been most thoroughly covered by writers on municipal government.

In discussing operating services, the author emphasizes the administrator's interest in over-all administration rather than the technique of performing particular services. The chief administrative officer of the city government must, of course, give some attention to the methods used in paving a street or to the technique of a detective bureau. His main concern, however, should be determining the scope of activity of a particular department, deciding what proportion of the general income should be applied to this activity, and using accepted standards to test the results obtained.

By setting forth standards in some instances, and in others by referring to established methods of determining the effectiveness of operation, the author has presented a challenge to the administrator which should cause him to re-examine the results obtained by his own operating departments.

In discussing these departments the author places as much emphasis on those dealing with cultural and welfare activities as on those concerned with public works and safety. If we may be allowed to refer to a particular profession, it has been said in the past of city managers (unjustly we believe) that, whenever retrench-

ment was necessary, they favored public works and safety operations over other city activities. Here we find the whole scope of municipal endeavor discussed by a former city manager with a balanced perspective.

Woodrow Wilson is said to have made the

statement that he had not in twenty years read a book through, adding, "They aren't worth it." Here, however, we have a book which every prospective and active municipal administrator could read, from cover to cover, with profit.

C. A. HARRELL

Personnel Agencies and The Public

PUBLIC RELATIONS OF PUBLIC PERSONNEL AGENCIES. A report submitted to the Civil Service Assembly by the Committee on Public Relations of Public Personnel Agencies. Civil Service Assembly, 1941. Pp. xviii, 259. \$2.50.

ONE of a series, this volume condenses the experience and accepted practice of twenty-two public personnel agencies and the progressive thought of fourteen committee members as a guide to the merit system practitioner who takes his public relations seriously. The encyclopedic project to provide manuals covering the entire range of public personnel practices, of which this volume is one of the first to be released, is of interest first for its methodology.

Following an exhaustive field survey of the practices of twenty-two carefully selected agencies, several committees composed of more than three hundred members of the Civil Service Assembly have been charged with responsibility for codifying generally accepted best practices. Aside from the field survey materials these committees have drawn on their own experience and have sometimes supplemented the field survey with specialized studies of their own. Thus, with this joint product of the professional experience and thought of its membership, the Civil Service Assembly joins other professional organizations of public officials which have codified their organized bodies of knowledge, carried the art of government a considerable distance toward conversion into a science, and demonstrated the fallacy in the popular belief that "anyone can do a government job."

This particular volume carries into the specialized field of personnel the pioneering work already done for government as a whole by such writers as Ridley and Simon, Beyle, McCamy, and others. It contains many valuable leads for the progressive public administrator who recognizes the need for widespread public acceptance of the merit system which he

considers the heart of sound administration. From attitude surveys to find out what the people think to motion pictures and municipal exhibits, this volume points the way to a re-orientation of any public relations program. Of particular value is a check list of recommended public relations policies which is adapted to the needs and problems of agencies large and small from the municipal to the federal level.

A sound approach to the public relations program is taken by a brief analysis of the "publics" with which the personnel agency has contact and by demonstrating that public relations media which do not recognize the atomic nature of the public will, more often than not, miss the mark. This reviewer was particularly concerned with the discussion of the legislative body as one of these "publics." The underlying philosophy of the committee is, I think, revealed by two sentences: "Ostensibly an independent nonpartisan agency of government, the personnel agency is often viewed by the individual law-maker as a part of the administration in power and directly responsible to it. It is no secret that in some jurisdictions the politically minded executives and legislators use the personnel agency as a cloak for manipulating appointments in the interest of patronage." (p. 14). The report then goes on to advance the danger of legislative restriction of authority and the need for adequate appropriations as reasons for maintaining sound relations between the personnel agency and the legislative body.

Nonpartisanship is the essence of the merit system. Using the personnel agency to make patronage respectable is certainly to be deplored. But this reviewer does not like to see

personnel administrators joining social workers, educators, librarians, and recreation officials in seeking to divorce themselves from the democratic representatives of the people. Personnel agencies require authority and sound financing. But is it the basic purpose of sound relations with the legislative body to wangle authority and funds or to demonstrate to these democratic representatives of the people the worth of the merit system in a democracy? The integrity of the merit system must be preserved. But have "dependent" merit systems which are "part of the administration in power and responsible to it" won fewer successes than "independent" systems? We might compare T.V.A., New York City under La Guardia, and Minnesota under Stassen with some of the traditional civil service systems. Personnel agencies must do more than win tolerance and appropriations. They must win wholehearted support from the legislature and the chief administrator if the merit system is to become established in a democracy, and if it is to work with maximum effectiveness.

The discussion of public relations media is comprehensive. However, in most jurisdictions the techniques used by the personnel agency need to be tied into the public relations program of the governmental unit as a whole. An important distinction is made between "popular" and "technical" reports. But what is the relationship between the "popular" annual report of the personnel agency and the activity report of the governmental unit? Popular capacity for reading governmental reports is

distinctly limited. Perhaps annual "popular" reporting needs of the personnel agency can best be satisfied by a few pages in the annual report of the governmental unit. Similar questions will occur to general administrators with respect to other media such as radio, the governmental movie, the public exhibit, and the open house.

The report is certainly on sound ground in pleading for a standardized information base for personnel reports. The wide diversity in items discovered by analysis of reports is astonishing and the recommendation that a standard list be drawn up of interesting available items having a high diagnostic value is useful. Concurrently, however, it may be suggested that we also need a standard diagnostic base. For example, we need a base for interpreting the "ratio of number of employees in exempt class to total number in classified service." What is "high" and what is "low"? What is "good" and what is "bad"? These questions, of course, cannot be answered until we begin to get uniform reporting of comparable items. The suggestions made in this report are a major step toward this end.

These critical comments should not detract from the all-round value of the report. It should be placed in the hands of every responsible head of a public personnel agency with instructions to read it, to meditate, to search his agency's bureaucratic soul, and to spur his staff on to win by every fair means public support of the merit system.

LYMAN S. MOORE

Contemporary Topics

New Developments in National, State, and Local Defense Programs

CHANGES in the administrative structure and program of the national defense agencies during the past three months have been directed toward the purpose of integrating the efforts of essential industry and governmental units more closely with each other and with the basic foreign and domestic policies of the nation.

The need for an agency that could see the supply problem as a whole and the impossibility of distinguishing sharply between military and civilian supply led to the creation on August 28 of the Supply Priorities and Allocations Board, which was charged with the duty not only of dividing the available supply of materials between military needs, economic defense and defense aid needs, and civilian needs, but also of allocating the supply among civilian uses in the United States.

Within the membership of the new board were brought together the four members of the Board of the Office of Production Management (Messrs. Knudsen, Hillman, Stimson, and Knox) and the Price Administrator, Mr. Leon Henderson, who was also made director of the Civilian Supply Division of the O.P.M., a newly created division which took over the function that Mr. Henderson had been discharging independently. Other members of the S.P.A.B. are Vice President Wallace, who was designated its chairman, and Harry L. Hopkins, special assistant to the President supervising the lend-lease program. Donald M. Nelson was made its executive director and director of the Priorities Division of O.P.M. The S.P.A.B. was charged only with determining broad policies and general regulations, and the Priorities Division with the work of carrying out the day-by-day administration of priorities.

The Economic Defense Board, which had been created earlier under the chairmanship of the Vice President with seven cabinet members, later absorbed the Office of Export Control and was given general charge of the pro-

gram of economic defense beyond the limits of the lend-lease program.

A Division of Materials was added to the O.P.M., with W. L. Batt as its director.

Production. The desire to stimulate defense production by encouraging large manufacturing plants to subcontract work on defense orders was enhanced by the threat of widespread unemployment and grave depression in small communities whose factories were deprived of raw materials by priorities. To meet this situation the Division of Contract Distribution was set up in the O.P.M. The O.P.M. was then directed by the President to take four major steps to adjust the dislocation resulting from priorities and to bring the smaller industrial plants into the defense program: first, to spread government purchases among the smaller firms in all parts of the country; second, to provide a system through its Labor Division for retraining and obtaining reemployment for workers who had lost their jobs as a result of the defense program; third, to promote subcontracting, contract distribution, and the pooling of plant facilities; and fourth, to provide a staff of industrial and production engineers to help manufacturers get the greatest use from their facilities and tools and to make any changes necessary in them for effective use of defense production.

The Division of Contract Distribution was instructed to see that local industrial production associations and subcontractors should get financing through the regular commercial banking channels, the Reconstruction Finance Corporation and its subsidiaries, or the Federal Reserve Banks and their branches.

The Department of Justice sought to cooperate in the effort to encourage subcontracting by setting up a small business section in its Antitrust Division and by coming to an agreement with the Office of Production Management to enable manufacturers to collaborate with each other and pool their facilities and experience without risking prosecution for violation of the antitrust laws. According to the Attorney General, collaboration by manufacturers at the request of the O.P.M. on the basis of a plan approved by the O.P.M. and the De-

partment of Justice would not be considered a violation.

State and local governmental agencies, like small businesses, have had difficulty in solving their problem of procurement and supply. For this reason the Division of Civilian Supply of O.P.M. set up the State and Local Government Requirements Branch to help governmental agencies get action on applications for priority ratings. A Bureau of Industrial Conservation has been created in the O.P.M. to undertake a program of conservation of strategic materials, the development of substitutes, and the adoption of the use of standard specifications.

The question of priorities for defense housing involves an especially difficult problem, particularly since S.P.A.B. announced that no critical materials, including steel, would be allocated for nondefense construction unless it was essential to public health and safety. To be eligible for preference ratings, houses must be in one of the designated defense areas and cannot cost more than \$6,000 or rent for more than \$50 a month. The designation of an area as a defense housing area permits 90 per cent mortgage insurance to operative builders.

Community Facilities. Practically all of the \$150,000,000 appropriated by Congress for the construction of community facilities in the defense areas has been tentatively assigned to specific projects. In general each project has been certified by the federal agency concerned; for example, roads and bridges by the War Department, schools by the Office of Education; and waterworks and sewer projects by the Public Health Service. The projects themselves are sponsored by local government agencies, except that recreation centers for service men outside of military reservations are to be constructed by the War Department. Field construction divisions in the defense public works regions of the Federal Works Agency are helping local governments expedite the construction of projects, and an emergency operations unit has been set up in the Public Buildings Administration to speed up the construction of projects for which federal funds are paying the entire cost. The largest category of projects has been that of recreational facilities, but more money has been spent for school facilities than for any other type of construction.

The Federal Security Agency received a separate appropriation to help hospitals and

nursing schools expand the training of nurses. It is arranging through the state employment offices for the recruitment of American mechanics and technicians for the British Civilian Technical Corps.

Intergovernmental Relations. The responsibility for coordinating the efforts of civilian agencies of government in the defense program and of unifying the programs of federal, state, and local governments has been assigned primarily to two federal agencies. One is the Office of Civilian Defense; the other is the Office of Defense Health and Welfare Services (successor to the Office of the Coordinator of Health, Welfare, and Related Defense Activities). The executive order of September 3 creating the Office of Defense Health and Welfare Services instructed it to utilize the facilities of existing departments and agencies in the federal government and to work through the appropriate state and local agencies "in conjunction with the Office of Civilian Defense."

Among the publications of the Office of Civilian Defense designed to guide local participation in the defense program are a bulletin entitled *Emergency Medical Service for Civilian Defense*; a manual describing the organization and procedures of *A Civilian Defense Volunteer Office*; and a guide for industrial plant managers in local defense authorities called *Protection of Industrial Plants and Public Buildings*, which describes the proper physical arrangements and protective organization. A mission sent by the Office of Civilian Defense spent a month in England and returned late in the summer. The mission recommended a continuation of the present organization of civilian defense in the United States and proposed that "administrative personnel in both states and municipalities should be selected locally but subject to confirmation by the director of the U.S. Office of Civilian Defense." Several defense training schools for local police and fire departments are being operated by the army in cooperation with the O.C.D.

Information Services. Four major types of operations are within the general field of information services in the national defense organization. First is the function of releasing information about the operations of the armed services, which is handled by the information units of the War and Navy Departments. Second is the parallel work of the Office for Emer-

gency Management. Third is the effort of the federal government to get accurate information to foreign countries regarding the United States in relation to world affairs. This function is being discharged by William J. Donovan, Coordinator of Information, except in Latin American countries, where it is the responsibility of Nelson A. Rockefeller, head of the Office of Inter-American Affairs (formerly the Office of the Coordinator of Commercial and Cultural Relations between the American Republics). Fourth is the job of assembling and releasing information necessary for the maintenance of morale within the United States. This work has been assigned to the Office of Facts and Figures, under Archibald MacLeish, who is responsible to the director of the Office of Civilian Defense.

State Legislation. To meet many of the new demands of the defense program, state and local administrators needed legislative authorization. A final summary of defense statutes enacted by state legislatures during 1941 shows the breadth of the defense program. Much of the legislation followed the patterns proposed by the Federal-State Conference on Law Enforcement Problems, which met in Washington in August, 1940, to draft model statutes.

Every state now has a defense council, twenty-seven of which were set up by legislation, the others by executive order of the governor. State guards were organized by twenty-seven legislatures; in other states they function without any specific legislative authority, or their duties are handled by expanded state police organizations. Twenty-one states, including nineteen of those with state guards, also enacted "fresh pursuit" legislation allowing the guards to operate outside their states under certain conditions.

Among law enforcement statutes are the model act for control of explosives, by thirteen states, and the model sabotage prevention act, by sixteen states. Three states—California, Maryland, and Utah—adopted the model bill for protection of interstate public property; the law allows states with public property in other states to arrange for its protection by the state in which the land is located.

Legislation involving labor and industrial relations in defense was adopted by a score of states. Fifteen of them adopted laws concerning labor disputes and their mediation; ten adopted

proposals prohibiting labor discrimination by defense industries because of race, color, or creed.

More than half the forty-three state legislatures in session this year made provision for turning educational resources to national defense use. A large proportion of the laws dealt with vocational education, and several provided for schooling the children of families brought into the state by defense activities of industry and the armed forces. Vocational education legislation was enacted by Oregon, which provides for the establishment, operation, and maintenance of vocational schools by the State Board of Vocational Education; Colorado, which appropriated \$111,000 for defense vocational education during the next two years; Nebraska, which established a state trade school to be used in cooperation with national defense training programs; California, which permits use of public schools on Saturdays for vocational defense training; and New Jersey, which permits second-class counties to establish emergency vocational schools. Wyoming authorized high school district trustees to provide quarters and use of equipment for establishment of defense schools.

Legislation dealing with housing problems brought on by the defense program was enacted by twenty-one states. Most of the states enacted laws authorizing local housing authorities to develop projects to assure the availability of safe and sanitary dwellings for persons engaged in defense activities. Michigan took an unusual step by authorizing the state to acquire land and construct trailer parks in or near industrial areas where housing shortages exist.

All but a few of the states whose legislatures met this year adopted legislation protecting the jobs of state and local employees called into military service. Most of the legislation provides for leaves of absence for public officials and employees, for restoration of governmental and, in a few cases, private jobs upon completion of service, or for reinstatement of employees. At least fifteen states amended their unemployment compensation laws to preserve benefit rights of employees during their service in the army, and several states adopted legislation protecting pension rights of selectees.

Other state defense legislation covered the use of public property in the defense program, planning and zoning in connection with air-

ports and defense industries and housing, exemption of military personnel from purchase of state license plates for automobiles, and municipal airports. Nearly every state legislature in session adopted laws concerning municipal airports and their operation.

No comprehensive summary of state and local administrative activities in the defense program is yet available. The following notes merely give examples of the range of these activities.

Manuals and Training. Some state defense councils have sought to further cooperation among municipalities and help train local organizations and volunteer personnel by publishing reports and manuals on defense administration. The various publications of the Massachusetts Committee on Public Safety may be taken as an example. The committee has issued six booklets dealing with the organization and operation of emergency defense services. Two of these outline in detail the duties and responsibilities of the various defense units and their personnel. The committee has also issued technical booklets on air-raid precautions training, war emergency fire fighting, gas defense and decontamination, and emergency health services.

A state-wide Civilian Defense Conference held by the New Hampshire Council of Defense illustrates another activity in the training of state and local personnel in defense. The conference heard specialists in different aspects of civilian defense, saw motion pictures of British operations, and studied demonstrations of various defense activities such as the handling of fire and incendiary bombs.

Evacuation. The gigantic task of evacuating more than 1,500,000 school children and aged and infirm persons from New York City in case of emergency is already under consideration by federal, state, and local defense agencies.

Test surveys of available housing in Sullivan and Orange counties have already been completed by the State Defense Council and local defense boards, and other areas in the Hudson Valley will be studied.

The evacuation committee will study nine preliminary problems: (1) areas to be evacuated; (2) groups of persons to be evacuated; (3) areas to be evacuated by families, religious beliefs, age, and sex; (4) transportation facilities; (5)

areas available to receive evacuees; (6) available housing accommodations in those areas; (7) sanitation and health facilities therein; (8) school and recreation facilities in the proposed areas; and (9) coordination of public, private, and volunteer agencies in handling the actual evacuation.

The completed survey of Sullivan County revealed that 110,000 beds were available for prospective evacuees. Many of them, however, are in summer hotels which would need reconditioning for winter use.

Exchange of Local Facilities. California this year removed a double barrier to the exchange of such governmental services as fire, police, and health and welfare protection between cities during emergencies. New legislation not only gives local governments the authority to perform these services outside city limits, but it removes the liability for accidents and damages during performance of the services. The wording of the law makes for broad interpretation and provides that the expenses of a city aiding another during an emergency shall be considered spent for its own protection.

The new California mutual aid legislation was adopted as a civilian defense measure. Of particular significance is a provision stating that privileges, immunities, and exemptions applying to officers and employees of a city while acting within the city apply to them when operating outside city limits during an emergency. While adopted as a defense measure, the California statute assures close protective cooperation during floods, earthquakes, and other emergencies of normal times.

Oklahoma first permitted cities to offer protection on a contractual basis. Then in 1939, after a city was held liable for a personal injury caused by firemen in a run to a neighboring community, the Oklahoma law was amended to let them operate as a governmental service, thereby removing their liability. A new Texas statute places such service on a governmental basis and allows counties as well as cities to extend aid.

Blackout Rehearsal. The country's first state-wide blackout was held in New Mexico on September 12 under the sponsorship of the State Council of Defense and directed by the state military department. During the blackout, twelve of the largest cities were "bombed," volunteer air-raid spotters and wardens took

their stations, auxiliary police and fire services were mobilized to cooperate with the regular departments, and volunteer nurses and ambulance drivers were enlisted. All motorists were required to extinguish their headlights. The significance of the demonstration lies in the fact that New Mexico is a border state with sparsely populated areas through which an invasion might be initiated. Conclusions drawn from the blackout will be studied by observers from the Office of Civilian Defense and results made available to all other states.

Extension of Police Forces. A model city ordinance for the extension of the police force for defense or other emergency purposes has been drawn up by the League of Oregon Cities, which followed the example of the volunteer police reserve systems of Portland, Oregon City, and Seattle. The league recommends that cities prepare to meet unusual problems by enrolling at least ten volunteers for every member of the regular police force, that the mayor and chief of police appoint this corps of registered volunteers as police reserves, and that the police chief provide for their training.

Portland's police reserve system, organized by the police chief, is the outgrowth of an early "vigilance committee" dating from 1922. The Oregon City reserve was created in 1935 to perform extra policing duties during local celebrations and to serve as a replacement source for vacancies on the regular force. Salem's reserve corps was started in 1940 and has no direct connection with the city administration. Reserve officers of these three cities make arrests only when on duty or when no regular policeman is available.

Health Facilities. New York is placing on an emergency defense basis all health facilities of the state. A complete inventory of all medical facilities has already been made by the State Council of Defense, cooperating with the State Health Department and the State Health Preparedness Commission. These agencies are mobilizing hospitals, laboratories, physicians, nurses, dentists, pharmacists, and optometrists "for the prevention and control of epidemics and the safeguarding of food, water and milk supplies."

Serious existing shortages of nurses and hospital beds are to be alleviated, according to present plans, by training 25,000 nurses within the next few months and by placing 22,000

more beds in existing institutions if necessary.

The New York State Health Preparedness Commission is already working out plans to form reserve corps and mobile emergency squads of physicians and nurses; to rehabilitate men rejected by the army for physical defects; to guard the physical fitness of workers in war industries; to instruct the civilian population in preventive medicine, sanitation, and emergency first aid; and to provide a ready supply of drugs, surgical supplies, and serums for all communities.

Defense Contracts. One of the municipal efforts to assist in the distribution of defense contracts was made through the Mid-Central War Resources Board, a joint enterprise of about one hundred and fifty cities in western Missouri and eastern Kansas.

The Board established a corporation representing thirty industrial concerns to present combined bids for defense contracts and to allocate various parts of the work to the participating industries. This corporation has obtained contracts for defense work which no one of the participating industries could have handled alone.

The Board is supported by financial contributions from the four major cities in the Kansas City metropolitan area. It has prepared a complete prospectus of small industrial facilities, showing in detail the availability of machine tools for presentation both to federal officials in Washington and to large industrial concerns which might wish to locate or to subcontract in the area.

Zoning Administrator

A STEP unique in municipal planning and zoning was taken by Los Angeles recently when it established the office of zoning administrator, who is to relieve the city planning commission of the task of dealing with petitions for zoning variances. On account of the large building program in the Los Angeles area this task had taken up most of the planning commission's time.

Under the new procedure the zoning administrator is authorized to permit a variance if he finds that certain exceptional conditions prevail. Appeals from the zoning administrator's decisions will be heard by a zoning board of appeals, which functions in a semijudicial

capacity. Under the old plan, the city planning commission held a hearing and submitted recommendations to the city council, which took final action in granting or refusing requests.

States and Cities Help Sell Bonds

THE United States government's drive to sell defense savings bonds and stamps has received a sharp impetus from the increasing cooperation of state and local administrations. Not only are state and municipal governments adopting plans to help their employees purchase bonds and stamps but they are participating directly by investing their own funds.

Under the voluntary pay roll allotment systems, an employee may authorize a city official to set aside a certain amount of his pay each week or month toward the purchase of a defense bond. The official deducts the money, saves the deducted sums until they amount to the purchase price of a bond, and then either buys the bond directly for the employee or returns the money to the employee so that he may make the purchase himself. At least seven states and a dozen cities have arranged voluntary pay roll allotment systems for their employees.

Municipal Airport Powers Grow

CITIES in more than a dozen states were given additional powers this year to further the development of aviation. New statutes give municipalities the right to acquire, improve, and operate airports in their vicinity and to control the approaches to them. The legislation will enable many of the cities to participate in the federal airport program, which is financed by an appropriation of \$94,000,000 for the construction of new airports or the improvement of landing areas. Local governments, under this program, will be required to provide suitable publicly owned land, to construct the necessary buildings, and to maintain and operate the airports.

At least three states—Arizona, Maine, and New Jersey—authorized their cities to acquire property for airports, while in Maine the operation of airports was made a governmental function and immune from tort liability. Maine also authorized cities and towns to go outside their limits in acquiring property for airports. Six

other states—California, Idaho, Kansas, Oregon, South Dakota, and Washington—provided that cities or cities and counties which do not find it practical to support airports individually may cooperate in owning and operating them.

Airport zoning, provided for previously in about a dozen states to keep approaches to airports free of hazards, was authorized by legislation this year in Arkansas, Maine, North Carolina, Oklahoma, Oregon, and Wisconsin. The purpose of the legislation, except in Oregon, is to permit cities to adopt, administer, and enforce zoning regulations for a specified distance around their airports—usually three to five miles. Oregon authorized its State Board of Aeronautics to establish safety zones around airports according to the procedure recommended by the Civil Aeronautics Authority.

Congress of Municipalities Meets

SEVENTEEN delegates from the United States, under the auspices of the American Committee for the International Union of Local Authorities, attended the Second Inter-American Congress of Municipalities, which met in Santiago de Chile, September 15-21. The United States delegation was headed by Daniel W. Hoan, a member of the board of directors of the Congress.

The permanent secretariat of the Congress will continue to be maintained in Havana, Cuba, to foster cooperation among the municipalities of the Americas, the Congress decided.

Council on Intergovernmental Relations

AN EXPERIMENTAL program to devise administrative mechanisms and methods by which federal, state, and local programs may be blended more successfully is being undertaken by the newly established Council on Intergovernmental Relations, with headquarters in Washington, D. C.

The council plans to operate demonstration projects, with the cooperation of the governmental agencies concerned, in several counties during the next three to five years. A committee of federal officials will make plans and supervise operations. A federal-state-local committee

will be in charge of the project in each demonstration area, supervising a local committee of operating officials and a local coordinating executive.

The plan will give especial emphasis to activities designed to relieve immediate distress and restore families to a self-supporting status.

Departmental Council in Milwaukee

THE city of Milwaukee has organized a council of department and bureau heads, with Mayor Carl F. Zeidler as chairman and Norman Gill, municipal reference librarian, as secretary, to confer on administrative problems, to conduct research on procedures and techniques, and to make recommendations to the city council. The committee first undertook to study the possible use of substitute materials and the possible curtailment of maintenance work in view of the scarcity of supplies caused by the defense program.

Housing and Sanitary Engineering

HOUSING has been recognized as a field of public health activity by the Connecticut State Department of Health, which recently created a full-time housing division in its bureau of sanitary engineering. The housing division will advise local health officials on problems of housing inspection and the enforcement of building laws. It also will cooperate with local health and housing officials in conducting special housing surveys in congested urban districts, and will concern itself with problems of water supply and sewage disposal in areas not served by public facilities. The first job undertaken by the housing division is a critical review of the present state tenement and lodging house laws, looking toward possible revision of these laws in line with modern practices elsewhere.

Organization of County Facilities

TWO California counties recently became laboratories in a demonstration project designed to organize county facilities to deal with problems caused by overnight population increases resulting from defense activities.

The organization plan involves setting up a coordinating council for county health, welfare, and related activities; appointment of a county director of recreation; addition of child welfare workers to county welfare department staffs; and special attention to child recreation and playground activities.

The two counties—San Luis Obispo and Monterey—have populations of 120,000 in normal times. With 60,000 soldiers suddenly added at Fort Ord, Camp Roberts, and Camp San Luis Obispo, the counties faced serious problems. The demonstration was undertaken by a staff member of the American Public Welfare Association at the request of the federal advisory council chairman for the west coast region, with the idea of applying its results to other army camp areas where communities must find means of supplying out-of-camp recreation for the service men, along with educational and health facilities for families coming into the area for defense reasons.

Councils to coordinate county activities were first set up in each district, ready for joint action. Members of these two councils were such county officials as the chairman of the board of supervisors, directors of county welfare and health departments, the superintendent of schools, home demonstration agents, and army morale officers. Members of the public were organized in committees to enroll volunteers. Cities in the counties appointed their own councils to work with county bodies.

Although the plan was adopted and demonstrated mainly for recreation purposes, it was so set up as to be utilized for other needs as they might develop. In each county, the board of supervisors furnished headquarters for the demonstration.

News of the Society

NATIONAL defense problems of the greatest current interest to public administrators will be on the program of the third annual conference of the American Society for Public Administration, which is to be held at the Pennsylvania Hotel, New York City, December 27-30.

The Society's meeting is again being held jointly with that of the American Political Science Association, which opens its sessions on December 28 and continues through December 31. The round tables of Saturday and Sunday, December 27 and 28, have been arranged exclusively by the Society. A number of round tables on Monday and Tuesday are joint sessions of the two organizations.

Three joint general sessions have been scheduled, one of which is the dinner at which the presidents of the two organizations will deliver their addresses.

The annual business meeting of the Society will be held on Saturday afternoon, December 27, after the general session.

A preliminary program of the subjects to be discussed, subject to revision, is as follows:

SATURDAY MORNING, DEC. 27

ROUND TABLES

Administration of Food Production and Distribution in National Defense. The functional responsibility of agricultural administrators vitally affects the success of our national defense effort. Their experiences and methods are important examples to be considered in public administration in general, and in national defense administration in particular.

Collective Bargaining in Public Service. The insistence that public and private employment relations are analogous is increasing. This session will thoroughly explore this controversy.

Federal-State-Local Administrative Relations in Civil Defense. Civil defense requires the integration of state and local officials into the national defense machinery. What is the nature of the resulting administrative relationship?

Work Programming and Measurement of Performance. Much has been said and written about the establishment of standards and units of administrative performance. Are they really being used as effective instruments of administrative planning and supervision?

Comparative Administration. Scores of Europe's greatest students and practitioners of administration have taken refuge in the United States. Their presence here is our opportunity to add their experience to our own.

SATURDAY AFTERNOON, DEC. 27

GENERAL SESSION

Addresses will be given on these two subjects: Price Control, and The Supply Priorities and Allocation Problem. The annual business meeting of the Society will follow these addresses.

SUNDAY MORNING, DEC. 28

ROUND TABLES

The Administration of Defense Supply Requirements and Allocations. In this session important representatives of the agencies within the O.E.M. orbit will deal with defense problems of administrative coordination as they arise within the administration of supply requirements and allocations.

Defense Efficiency and Procedural Due Process. This round table will deal with the administration of price control as it affects due process of law and the preservation of private rights.

Municipal Administration in Latin America. The countries of Central and South America have cultural and diplomatic interests for us as compatriots in the Western hemisphere. Their administrative experience is extensive and different and should be added to our administrative knowledge.

The Role of the Board Secretary. The position of the board secretary is unique in administrative relationships and responsibilities. This session is a forum to develop a clearer understanding of the similarities and contrasts characteristic of this position.

SUNDAY EVENING, DEC. 28

JOINT GENERAL SESSION

This will include one principal speaker on the subject: Financing National Defense.

MONDAY MORNING, DEC. 29

JOINT ROUND TABLES

National Defense Administration: The Administration of Priorities.

The State Legislature: The Influence of the Legislature on Administration.

New Problems of Local Government: Local Government and Civil Defense.

Personnel Administration: Decentralization in Personnel Administration.

Problems in the Government of New York City.

Judicial Administration: The Administration of a Dual Court System.

JOINT SECTION MEETING

War Financing: Policies and Experiences Abroad.

MONDAY AFTERNOON, DEC. 29

JOINT ROUND TABLE

Civil-Military Relations in a Democracy: Military Authorities and the General Public.

JOINT SECTION MEETING

Municipal Government: City Planning; the Present Makes the Future.

MONDAY EVENING, DEC. 29

Presidential Addresses by Frederic A. Ogg and Harold D. Smith.

TUESDAY MORNING, DEC. 30

JOINT ROUND TABLES

Civil Defense Administration: The Coordination of Economic Defense Activities.

The State Legislature: The Influence of the Administrative Branch on Legislation.

New Problems of Local Government: Roads, Schools, Welfare.

Personnel Administration: Cooperation among Federal, State, and Local Personnel Agencies.

Problems of Government in New York City.

Judicial Administration: The Enforcement of Constitutional Guarantees.

Civil Military Relations in a Democracy: Military Authorities and the Civil Departments of the Federal Government.

JOINT SECTION MEETINGS

War Financing: State and Local Fiscal Policy in War and Peace.

Municipal Government: Government as an Employer of Organized Labor.

TUESDAY AFTERNOON, DEC. 30

The American Political Science Association is arranging trips to visit New York City government agencies.

Chapter News

The Alabama Chapter, recently organized under the leadership of Roscoe C. Martin, director of the Bureau of Public Administration, University of Alabama, met on October 16 to elect officers. The new officers are: president, Harry H. Hendon, chief engineer, Jefferson County Engineering Department; vice president, Harry T. Pillans, personnel director, Mobile County Personnel Board. Chapter directors are: I. J. Browder, director of personnel for the State of Alabama; J. Aubrey Crawford, state personnel director, Work Projects Administration; Miss Hallie Farmer, professor of history and political science, Alabama College; Joseph E. Killough, state personnel of-

ficer, National Youth Administration; and Mrs. Edwina Mitchell, member of the State Board of Pardon and Parole. Roscoe C. Martin will serve as secretary-treasurer of the Alabama Chapter.

The Sacramento Chapter met on July 17 to elect new officers and to discuss its program for the ensuing year. The new officers are: president, Clarence Langstaff, chief deputy legislative counsel; vice president, Frank F. Durkee, attorney, Division of Contracts and Rights of Way; secretary-treasurer, Ewing Hass, supervisor, Legislative Bill Room; and as council members, Clarence Malm, principal accountant, Department of Finance; A. G. Mott, chief, Division of Evaluation, Board of Equalization; Miss Grace Taylor, city librarian; and the retiring president, Louis J. Kroeger.

The San Francisco Bay Area Chapter held a meeting July 31 in Berkeley at which Leonard D. White, editor-in-chief of *Public Administration Review*, discussed "Federal Grants to State and Local Civil Service Commissions."

The Connecticut Organizing Committee, under the leadership of Alonzo G. Grace, state commissioner of education, met on October 27 in New Britain, Connecticut, to discuss the formation of a local chapter. Speakers at this meeting were Pendleton Herring, secretary of the Graduate School of Public Administration, Harvard University; Alfred Dexter Simpson, visiting lecturer in the Graduate School of Education, Harvard University; and Frank C. Moore, New York Town and County Officers Training School.

The Indianapolis Organizing Committee met on October 15. The committee consists of Virgil Sheppard, assistant administrator, Indiana State Department of Public Welfare, as chairman; William H. Book, executive vice president, Indianapolis Chamber of Commerce; S. J. Craig, regional procurement officer, U. S. Treasury Department; Myron G. Johnson, engineer of the city of Indianapolis; and Cletus Siebert, Marion County Clerk's Office. DeWitt Morgan, superintendent of Indianapolis schools, led a discussion on "Principles of Public Administration."

The Kansas Chapter was formally organized at a meeting held in Topeka on September 25. Officers will be elected at the next regular meeting. The chapter is particularly interested in cooperating with the in-service training programs

for government employees being conducted at the Topeka night school. Ira McConnell, merit supervisor of the Kansas Joint Merit System Council, conducted a discussion on "Public Personnel Problems in Kansas."

The New York Metropolitan Area Chapter met on October 22 and elected officers for the ensuing year. The newly elected officers are: president, Joseph M. Cunningham, first deputy comptroller for New York City; vice president, George T. Palmer, deputy commissioner of health for New York City; secretary-treasurer, Charles S. Ascher, Committee on Public Administration, Social Science Research Council; and members of the board of directors, Frederic P. Bartlett, administrator, Department of City Planning, New York City; Mary Gibbons, first deputy commissioner, Department of Social Welfare, New York State; Luther Gulick, director of the Institute of Public Administration; Albert H. Morgan, director, Bureau of Public Buildings, Department of Public Works, New York City; William J. Ronan, executive secretary of the Graduate Division for Training in Public Service, New York University; David Standley, director of operations, Work Projects Administration; Stuart M. Weaver, executive secretary to the Board of Commissioners, Montclair, New Jersey.

The Virginia Chapter held a meeting at which two new members were elected to the board of directors: Hugh Pomeroy, director of the Virginia State Planning Board, and Hart Schaaf, professor of political science at the Col-

lege of William and Mary. The new president of the Virginia Chapter is Gamble Bowers, director of public works of the city of Richmond; and the vice president is Clarence Newman, director of research, Virginia State Chamber of Commerce.

The Washington, D. C. Chapter held a meeting on October 16, at which William J. Brown, general secretary of the British Civil Service Clerical Association and former member of Parliament, addressed the chapter on "Public Administration—Aid or Hindrance to Defense?"

The elective officers of the chapter were continued in office for another year. Miss Julia Henderson, who resigned as secretary, was replaced by Miss Nita Gavaris, of the Bureau of the Budget.

Notice to the Readers of *Public Administration Review*

The Autumn, 1941, number of *Public Administration Review* is being designated Volume I, Number 5, so that hereafter each volume may contain four numbers and fall within a calendar year.

The title page and index to Volume I will be included with Volume II, Number 1.

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